

provided free are those used in the hospital and nursing home, and that each laboratory test and X-ray, provided on an outpatient basis, requires a \$20 deductible for each diagnostic study on an outpatient basis? The cost estimate for this feature is given as just 0.01. Do they know that the 240 visits promised as part of the home health services are anticipated to be in such short supply, because of the shortage of people capable of giving these services, that they are figured to cost only 0.05 percent of payroll? The major cost in the bill is, significantly enough, 0.52 percent of payroll for hospital benefits. These cost estimates—which most Americans understandably are not familiar with—are the fine print on the premium which is offered by the administration bill. We should look well to them.

Mr. Speaker, at a time when costs are mounting rapidly, is it wise public policy to enact legislation which, as we have seen, depends almost exclusively on treatment in a hospital as the means of providing medical care for our senior citizens? We know that hospital costs have increased by 109.7 percent from 1950 to 1961 and by the staggering figure of 376.8 percent from 1940 to 1961. They represent, by all odds, the greatest increase for the same periods of any kind of medical care. Physicians' fees, for example, increased by just 43 percent from 1950 to 1961 and the costs of prescriptions and drugs rose by just 16.7 percent during the same period.

With the alternative of relatively free hospital care as opposed to being charged for care in the doctor's office for a relatively minor ailment, how will the patient react? In his testimony before the Committee on Ways and Means, Dr. Leonard Larson, representing the American Medical Association, posed the doctor's dilemma under such circumstances in the following words:

Pressure will be exerted by the patient and his family upon the doctor in an effort to force him to fit the treatment, willy-nilly, into the services provided by the program * * *.

Let us say that a patient needs treatment of a sort not covered by the program and therefore not reimbursable under it.

The physician is confronted with two unsatisfactory courses of action * * *.

On the one hand, he may follow his best professional judgment and refuse to recommend a course of treatment covered under the program. For example, he may decide the patient is better treated at the physician's office and that hospitalization is not required. In such a case, it is not unlikely

that the patient will go to another physician, hoping for a different professional judgment; or that he will postpone the treatment he needs.

Alternatively, the physician may accept the patient's plea that he can finance the cost of care only through the mechanism of H.R. 4222 (the administration bill), and then choose the lesser of two evils: treatment in an improper facility simply because it is covered by the program, or no treatment at all because the patient refuses to undergo treatment except at Government expense. In this case, the physician's medical decision has been influenced by nonprofessional considerations. Further, if the doctor accedes to the patient's request, however unwillingly, he risks censure by the "hospital utilization committee" and the possible rejection of his claim by HEW.

I do not claim, Mr. Chairman, that some individual patients might not receive perfectly adequate treatment under the program * * * [because] the needs of their cases would fall within the bill's imposed limitations * * *.

But many of the aged will receive a lower quality of medical care simply because the services covered do not represent the full range of facilities required by the physician for optimal treatment. You cannot reduce the physician's armamentarium of treatment facilities without reducing the effect of his skill in the process.

Let us all be very clear that the bill advocated by the administration is limited not only as to the kind of protection it provides. It is also limited in the degree to which it can provide the kind of services it promises through lack of manpower and facilities. And, as I have said, it is limited as to its coverage, confining its protection capriciously and compulsorily to a selected group of the American people.

Now let us compare the limited coverage and benefit package provided in the administration proposal with the kind of protection which will become available under my bill. H.R. 11466 offers a choice between two plans which, according to reliable insurance carriers, could be purchased for \$125 a year. The first plan is keyed to hospital and nursing home care, including surgical charges, diagnostic, laboratory and X-ray services, and drugs used in hospitals. Payment of all charges under this plan are made by the insurance carrier for hospital room and board up to \$12 per day—for up to \$1,080 in a calendar year—for convalescent care up to \$6 per day—for up to \$186 in any calendar year—for surgical charges according to a fee schedule with a \$300 maximum, and for all other items listed above.

The second plan, which is subject to a deductible feature not to exceed 25 percent of costs, is broadly conceived to include doctor's services up to \$5 for each, surgical charges up to a \$300 maximum, unlimited hospital room and board for semiprivate accommodations, charges for drugs and medicines which require a doctor's prescription, blood or blood plasma not donated or replaced, anesthetics and oxygen, rental of durable medical or surgical equipment such as hospital beds or wheelchairs, diagnostic X-rays and other diagnostic and laboratory tests, X-ray, radium and radioactive isotope treatment, and up to \$16 per day for a registered nurse—for up to \$480 in any calendar year. This package further provides convalescent care up to \$6 per day—for up to \$540 for any calendar year—following discharge from the hospital.

And never forget that the substantially more adequate care provided through this means not only preserves the vital free-choice principle, but protects us against Government medicine by using the time-tested ability and experience of the voluntary insurance method.

Mr. Speaker, a spokesman for the aged themselves recently described the heart of our problem today. He said:

Our people feel that really they are given two alternatives. One alternative is, get rich. If you get rich you have the means for all kinds of medical care. But it is too late in the game for our people. They cannot get rich any more if they had not done it up to now. So they are given another alternative—get poor. But this they don't want. They don't like to get poor. Our States and cities are saying if you get poor the welfare department will take care of you.

My bill will make it possible for all of the older people in these circumstances to afford the kind of protection they deserve and must have without recourse to a visit to the welfare office. They can obtain this protection in a manner they understand and are accustomed to using—the familiar income tax form. And they can do so in a manner which preserves their self-respect as well as their health. I urge enactment of this legislation during this session of the Congress. Enough with claims, counterclaims, circuses, and commercials. We have, at long last, a sound, safe, and typically American solution for the problem which, all of us agree, faces our senior citizens. Let us put it to work.

SENATE

FRIDAY, JUNE 1, 1962

The Senate met at 12 o'clock meridian, and was called to order by Hon. LEE METCALF, a Senator from the State of Montana.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Lord of all being, again in Thy bountiful mercy we bow at this altar of Thy grace with the sure confidence of Thy

servant, the Psalmist of old, as he poured out his soul, declaring "At noon, I will pray and call aloud and the Lord shall hear my voice."

Speak to us and through us, that we may be the channels of healing good will for this tangled and tragic time.

O Thou Kindly Light, lead us on through the passing shadows to the effulgence of Thy coming kingdom's sway, when it shall be daylight everywhere.

In the spirit of the Master we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 1, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 29, 1962, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. POAGE, Mr. GATHINGS, Mr. HOEVEN, and Mr. MCINTIRE were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

- H.R. 1347. An act for the relief of Adolf M. Baller; and
H.R. 5652. An act for the relief of Kevork Torolian.

The message further announced that the House had agreed to the amendments of the Senate to the joint resolution (H.J. Res. 638) for the relief of certain aliens who are serving in the U.S. Armed Forces.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 107. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes;

S. 971. An act for the relief of Salvatore Briganti;

S. 3157. An act to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired;

H.R. 1395. An act for the relief of Sydney Gruson;

H.R. 1404. An act for the relief of Mrs. Frances Mangiaracina;

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo;

H.R. 2103. An act for the relief of Antonio C. Ysrael;

H.R. 2672. An act for the relief of Sonia Maria Smith;

H.R. 2839. An act for the relief of Mildred Love Hayley;

H.R. 4783. An act to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949;

H.R. 8368. An act for the relief of A. Eugene Congress;

H.R. 8570. An act to amend title 10, United States Code, to permit disbursing officers of

an armed force to entrust funds to other officers of an armed force;

H.R. 9466. An act for the relief of Sfc. Jesse O. Smith; and

H.R. 11261. An act to authorize an adequate White House Police force, and for other purposes.

HENRY FOUNTAIN ASHURST

Mr. HAYDEN. Mr. President, it was with deep sadness and a sense of profound loss that I learned of the passing yesterday of Henry Fountain Ashurst, who was one of Arizona's first two Senators, and who served with distinction in this body from April 2, 1912, until January 3, 1941, a period of more than 29 years. I came over from the House of Representatives in 1927, and enjoyed his friendship, confidence, and cooperation for the following 13 years.

One of the first burdens placed upon us was to defend the rights of the State of Arizona in the use of the waters of the Colorado River, which we did in a filibuster against the enactment of the Swing-Johnson bill to authorize the construction of what is now the Hoover Dam.

We did not prevent the building of that great structure, but I am pleased to say that the arguments we then advanced were found to be justifiable in the findings made by the master selected by the Supreme Court of the United States to report upon the issues involved in the case of Arizona versus California now under consideration by the Justices of that Court.

In my five decades of public life, I have known perhaps a thousand public figures who have achieved prominence. They included Presidents of the Republic; Senators and Representatives; Governors and State legislators; business leaders and labor leaders. None of them exceeded Henry Ashurst in the humility of greatness, the passion for justice, the devotion to his native land, and the loving kindness that the prophets of old commanded man to show to his fellow man.

In electing Henry Ashurst and continuing him for nearly 30 years as its U.S. Senator, the then youngest State of our Union earned the admiration and the respect of her sister States. No longer could it be suggested that erudition and wisdom, urbanity and wit, could not be found west of the Alleghenies.

On the occasion of his 80th birthday, Henry Ashurst said that at that age a man has atoned, or tried to atone, for the wrongs he has committed, and has forgotten the wrongs, if any, committed against him. Of Henry Ashurst it can be said that he did not have to reach 80 to make such an affirmation. The concluding words of his published diary declare:

It is a comforting assurance that nothing in this diary will cause pain to any living person or bring reproach to the memory of anyone who is dead.

That is indeed the epitome of Henry Ashurst.

Mr. GOLDWATER. Mr. President, I was deeply grieved yesterday to receive news of the passing of my old friend and Arizona's great former Senator, Henry Fountain Ashurst. This was a tremen-

dous loss to the State of Arizona and to the America which he loved so deeply. To me, it was a heavy personal loss. Senator Ashurst was a beloved friend who exercised much influence on my life, both personally, and politically.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

TRANSFER OF ALASKA COMMUNICATION SYSTEM

A communication from the President of the United States, transmitting, pursuant to law, a report of the Secretary of Defense, relating to the transfer of the Alaska Communication System (with accompanying papers); to the Committee on Armed Services.

REPORT OF AD HOC COMMITTEE ON FEDERAL OFFICE SPACE

A communication from the President of the United States, transmitting, for the information of the Senate, a report to the President by the Ad Hoc Committee on Federal Office Space (with an accompanying report); to the Committee on Public Works.

REPORT ON CONTRACT FOR APOLLO SPACECRAFT

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on a contract for the Apollo spacecraft; to the Committee on Aeronautical and Space Sciences.

INCREASE OF OBLIGATIONS UNDER SECOND LIBERTY BOND ACT

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to increase temporarily the amount of obligations, issued under the Second Liberty Bond Act, which may be outstanding at any one time (with an accompanying paper); to the Committee on Finance.

REPORT ON REVIEW OF ADMINISTRATION OF CERTAIN MINING CLAIMS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of administration of mining claims located on national forest lands reserved from the public domain, Forest Service, Department of Agriculture, January 1962 (with an accompanying report); to the Committee on Government Operations.

SETTLEMENT OF CLAIMS OF CERTAIN RESIDENTS OF TRUST TERRITORY OF THE PACIFIC ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Islands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON FINANCIAL TRANSACTIONS OF THE AMERICAN SOCIETY OF INTERNATIONAL LAW

A letter from the executive director, The American Society of International Law, Washington, D.C., transmitting, pursuant to law, a report of the financial transactions of that society, for the period April 1, 1961-March 31, 1962 (with an accompanying report); to the Committee on the Judiciary.

PHILIPPINE WAR DAMAGE CLAIMS

The ACTING PRESIDENT pro tempore. The Chair is in receipt of a communication, with an accompanying copy of a resolution of the House of Representatives of the Republic of the Philippines, relative to the Philippine war damage bill pending before the U.S. Congress.

If there be no objection, the Chair will lay this matter before the Senate, and refer it to the Committee on Foreign Relations.

The Chair hears no objection, and it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Louisiana; ordered to lie on the table:

"HOUSE CONCURRENT RESOLUTION 27

"Whereas agriculture remains the No. 1 industry in the State of Louisiana, farm-level receipts from farm marketing(s) being \$399,877,000 in 1961; and

"Whereas agriculture in Louisiana has made remarkable progress in recent years through its ability to supplement its row crops with livestock and livestock products, such livestock and livestock products accounting for \$147,690,000 in cash receipts to Louisiana farmers in 1961; and

"Whereas it is estimated that without limitations imposed by the Federal Government upon the freedom of choice of Louisiana producers, the number of beef-brood cows in our great State may double in the next decade from its present level of 850,000 head; and

"Whereas the dairy industry in Louisiana is now able to furnish the citizens of this growing State with an adequate supply of fresh milk which is unparalleled in its quality and wholesomeness, and provides Louisiana dairymen a farm-level income now approaching \$80 million annually; and

"Whereas legislation now being considered in the Congress of the United States, H.R. 11222, known as the administration's farm bill, could severely restrict the growth and prosperity of these industries seeking to impose restrictions on the amount of milk which can be produced within the State of Louisiana, and by putting a definite limitation, with penalties, on any further expansion of the livestock industry in Louisiana by limiting the freedom of each farmer to produce feed grains for such livestock; and

"Whereas the 1962 farm bill contains further provisions to permit the Federal Government to take over farmlands, to convert them into recreation areas or for other 'more economic uses' other than agricultural which are not defined, and which also contain provisions for enforced land reform patterned after agrarian reform policies similar to those in Cuba and China: Now, therefore, be it

Resolved by the House of Representatives of the State of Louisiana (the Senate concurring), That each and every member of the Louisiana congressional delegation is respectively urged to vigorously oppose and vote against the enactment of the administration's 1962 farm bill in its present form, or any legislation which would further impair the income or freedom of farmers in this State and the American free enterprise system; and be it further

Resolved, That the clerk of the house of representatives be and he is hereby directed

to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, to the majority and minority leaders of both Houses of Congress and to each member of the Louisiana congressional delegation.

"Speaker of the House of Representatives.

"Lieutenant Governor and President of the Senate."

A resolution adopted by the Board of Aldermen of the City of Chelsea, Mass., favoring the enactment of legislation to provide medical care for the aged under the social security system; to the Committee on Finance.

RESOLUTION OF BOARD OF COUNTY COMMISSIONERS, CRAWFORD COUNTY, KANS.

Mr. CARLSON. Mr. President, the Board of County Commissioners of Crawford County, Kans., unanimously adopted a resolution in regard to the report of the Presidential Railroad Commission as filed with the President of the United States on February 28, 1962.

I ask unanimous consent that this resolution be printed in the RECORD, and referred to the appropriate committee.

There being no objection, the resolution was referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

RESOLUTION BY BOARD OF COUNTY COMMISSIONERS OF CRAWFORD COUNTY, KANS.

Whereas this commission of Crawford County in the State of Kansas, duly assembled, has considered the report of the Presidential Railroad Commission filed with the President of the United States on February 28, 1962; and

Whereas this commission finds that the recommendations of the Presidential Railroad Commission, if given effect, would reduce the number of jobs of railroad engineers, helpers (firemen), conductors, brakemen, and switchmen by nearly half, with resultant serious impairment of safety and efficiency of railroad operations, would require more work of employees at lower rates of pay, would deprive railroad operating employees of the fruits of collective bargaining gained in many years of negotiation, and would also, by reason of abolition of existing railroad terminals in Kansas and elsewhere, destroy many railroad communities and cause the dislocation of homes of thousands of railroad workers; and

Whereas it is the sense of the members of this commission that in these times any proposal producing additional unemployment, longer working hours at lower rates of pay, the decimation of railroad communities in Kansas and elsewhere, as well as impairment of railroad safety, service, and efficiency, is un-American, injurious to our national and local economies, contrary to established trends in labor relations, and deteriorative of the general well-being of our country, and must be condemned as such: Therefore be it

Resolved, and it is hereby the decision of this commission, That the report of the Presidential Railroad Commission of February 28, 1962, be disapproved and condemned as an unfair, inappropriate, and ruinous proposal for settlement of the wages and work rules disputes on the Nation's railroads; and be it further

Resolved, That existing controversies between the railroads and their employees concerning wages, rules, and working conditions ought to be resolved in collective bargaining,

without regard for the recommendations of the Presidential Railroad Commission, on bases which will maintain existing jobs and improve and enhance wages and working conditions of railroad employees. A copy of this resolution shall be forwarded to the President of the United States, the Secretary of Labor, Members of the Senate and House of Representatives, the Governor of Kansas, State senators and representatives, and the presidents of the rail unions involved.

D. J. SAIA, Chairman.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, without amendment:

H.R. 7061. An act to amend title 39 of the United States Code to provide for payment for unused compensatory time owing to deceased postal employees, and for other purposes (Rept. No. 1539); and

H.R. 7416. An act to authorize the Bureau of the Census to make appropriate reimbursements between the respective appropriations available to the Bureau, and for other purposes (Rept. No. 1540).

BILL AND JOINT RESOLUTION INTRODUCED

A bill and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 3366. A bill to require disclosure of the effectiveness of filters on cigarettes distributed in commerce, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. PELL:

S.J. Res. 194. Joint resolution granting the consent of Congress to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia to negotiate and enter into a compact to establish a multi-State authority to construct and operate a passenger rail transportation system within the area of such States and the District of Columbia; to the Committee on the Judiciary.

(See the remarks of Mr. PELL when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

INVESTIGATION OF FAILURE OF INDIVIDUALS TO COMPLETE THEIR EDUCATION IN SCHOOLS OR COLLEGES

Mr. WILEY submitted a resolution (S. Res. 348) to investigate failure of individuals to complete their education in schools or colleges, which was referred to the Committee on Labor and Public Welfare.

(See the above resolution printed in full when submitted by Mr. WILEY, which appears under a separate heading.)

A CHEESE CHARCOAL CIGARETTE FILTER

Mr. WILEY. Mr. President, a citizen of my State is of the opinion that a

cheese charcoal filter for cigarettes would reduce the nicotine and tar content from the cigarette smoke. He claims to have proof of the effectiveness of such a filter.

After reading an article published in the June issue of the Reader's Digest, on a finding by the British Royal College of Physicians in regard to the effect of cigarette smoking on health, I am introducing at the request of my constituent a bill to inquire into the effectiveness of cheese filters on cigarettes.

I ask that the Reader's Digest article be printed in the RECORD following my remarks.

Let me say that my constituent claims that a cheese charcoal filter has been perfected, and the laboratory work on it is completed. He says that the utilization of cheese for it would be in such quantity that it would have a very beneficial effect upon the dairy products surplus problem. This follows my idea that commercial utilization of the constituents of milk would aid in solving the milk surplus problem.

The Reader's Digest article should cause us to stop, look, and listen; and this bill should be appropriately referred, and hearings on it should be had. Not only is the health of our people involved, but this practical suggestion for handling our surplus dairy products problem merits careful study.

Mr. President, I now introduce the bill, and request its appropriate reference; and I submit the article from the Reader's Digest, and ask that it be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the article will be printed in the RECORD.

The bill (S. 3366) to require disclosure of the effectiveness of filters on cigarettes distributed in commerce, and for other purposes, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Commerce.

The article presented by Mr. WILEY is as follows:

LUNG CANCER AND CIGARETTES—HERE ARE THE LATEST FINDINGS

(Britain's Royal College of Physicians examines the effect of smoking on health and issues a clear and stern warning.)

(By Lois Mattox Miller)

Out of London last March came a chill blast which sobered cigarette smokers and jolted the tobacco industry on both sides of the Atlantic. The venerable 444-year-old Royal College of Physicians, which never deals with trivia or sensationalism, completed an exhaustive study and published a fact-filled report, "Smoking and Health," intended to give to doctors and others, evidence on the hazards of smoking so that they may decide what should be done.

The Royal College report stated unequivocally:

"Cigarette smoking is a cause of lung cancer and bronchitis, and probably contributes to the development of coronary heart disease and various less common diseases."

"Cigarette smokers have the greatest risk of dying from these diseases, and the risk is greater for the heavier smokers."

"The many deaths from these diseases present a challenge to medicine; insofar as

they are due to smoking they should be preventable."

"The harmful effects of cigarette smoking might be reduced by efficient filters, by leaving longer cigarette stubs, or by changing from cigarette to pipe or cigar smoking."

The report had immediate repercussions in Parliament. It also stirred some nervous activity in Washington, where bureaucrats and Congressmen have dodged or pigeonholed the smoking-health issue for the past 10 years. Tobacco industry spokesmen issued the standard rejoinder that the evidence was merely "old data without new research findings," but the statement sounded weaker and more pathetic than ever.

Sir Robert Platt president of the Royal College of Physicians commented: "Naturally every possible opposition has been raised to the idea that these diseases are due to cigarette smoking. But not one of the opposing theories will hold water whereas everything confirms the evidence against cigarettes."

SMOKER'S LUNGS

"During the past 45 years" the report explained "lung cancer has changed from an infrequent to a major cause of death in many countries. To account for this increase it is necessary to postulate some causative agent to which human lungs have been newly and increasingly exposed during the present century. Cigarette smoke is such an agent and there is now a great deal of evidence that it is an important cause of this disease."

Since 1953 at least 23 investigations in 9 different countries have reported on the relationship between lung cancer and smoking. "All these studies" the report states "have shown that death rates from lung cancer increase steeply with increasing consumption of cigarettes. Heavy cigarette smokers may have 30 times the death rate of nonsmokers. They also have shown that cigarette smokers are much more affected than pipe or cigar smokers (who do not inhale) and that the group which had given up smoking at the start of the survey had a lower death rate than those who had continued to smoke."

This strong statistical association between cigarette smoking and lung cancer is supported by compatible though not conclusive laboratory and pathological evidence. Some 16 substances capable of initiating cancer in animals have been identified in tobacco smoke. In addition to these carcinogens the smoke contains a variety of irritants which cause precancerous changes. These have been noted in the lungs and bronchial tissues of smokers who have died of causes other than lung cancer.

ADDRESSED TO DOUBTERS

The Royal College report devotes a full section to the theories advanced by those who doubt the cause-and-effect relationship. "None of these explanations fits all the facts as well as the obvious one that smoking is a cause of lung cancer."

How about air pollution, onto which the tobacco propagandists try desperately to shift the blame? In "Smoking and Health," the investigators point to the lung-cancer death rates of smokers and nonsmokers who live in cities, in rural areas and even in countries where air pollution is virtually unknown.

Finland, for example, which has the second highest lung-cancer death rate in Europe is essentially a rural country which has little air pollution but a population of heavy smokers. "This suggests that smoking is more important than air pollution," the report concludes. Moreover, "it is clear that at all levels of air pollution cigarette smokers suffer a risk of lung cancer which increases with the number of cigarettes smoked, and even in the most rural areas of the United Kingdom heavy cigarette smokers develop lung cancer 15 to 20 times as frequently as nonsmokers."

SMOKER'S COUGH

Chronic bronchitis is a frequent cause of death, particularly among middle-aged and elderly men, as well as a common disabling disease. The disease usually starts with persistent coughing and the production of phlegm (productive cough). Then the bronchial tubes become infected and, eventually, persistent breathlessness may develop. In many cases the infection and breathlessness bring on heart failure and death.

"Smoking causes cough and expectoration," the report states. "Most people with smoker's cough lose this symptom when they stop smoking. Many studies have shown that the lungs of smokers are, on the average, impaired compared to those of nonsmokers, particularly with respect to bronchial airflow. Dr. W. Richard Doll and Professor (Sir Austin) Bradford Hill found a steady increase of bronchitis deaths among heavy smokers. Those who smoked more than 25 cigarettes a day had a death rate from bronchitis six times greater than that of nonsmokers. In the United States, Dr. Harold F. Dorn found that death from bronchitis and emphysema was three times as frequent in regular cigarette smokers as in nonsmokers."

Cigarettes may not be the sole or chief cause of bronchitis, the report emphasizes; other factors, chiefly air pollution, probably play a part. But "cigarette smoking often causes productive cough which predisposes to the disabling and fatal forms of bronchitis under the influence of other factors. Cigarette smoking should be regarded as an important contributing factor rendering many men and women liable to a disease which they might have escaped had they not smoked."

SMOKER'S HEART

Coronary heart disease is a more frequent cause of death among cigarette smokers than among nonsmokers. But the British report does not find evidence that cigarette smoking is a cause of coronary heart disease. Nonsmokers, too, commonly have coronaries although "those who give up smoking have a reduced death rate."

"The association of coronaries with smoking," the Royal College finds, "is clearest in middle age; and then various other factors such as mental strain, sedentary occupation, and indulgence in fatty foods, which are thought to increase liability to coronary thrombosis, are also commonly associated with heavy smoking. It seems reasonable at present to agree with the recent statement of the committee on smoking and cardiovascular disease of the American Heart Association, that present evidence 'strongly suggests that heavy cigarette smoking may contribute to or accelerate the development of coronary disease or its complications,' at least in men under the age of 55."

SMOKER'S ULCER

Tobacco smoke has demonstrable reactions in the stomach and intestines. Gastric hunger contractions, for example, cease after a few puffs on a cigarette. Nonsmokers seem to have better appetites than smokers; and ex-smokers commonly put on weight as soon as they quit the habit. While there is no evidence that smoking causes gastric or duodenal ulcers, most physicians have seen an adverse effect of heavy smoking on patients who already have stomach ulcers.

The Royal College report states that the "effect of smoking on the healing of gastric ulcers has been carefully recorded in a controlled study in Britain." Hospital patients with gastric ulcers (all smokers) were divided into two groups. Group A was told to quit smoking, group B was not; otherwise, both received the same medical treatment. "It was noticeable that in patients who continued to smoke, the ulcer actually increased in size while this deterioration was not observed in any of those who gave up smoking." The conclusion: "Smoking does not appear

to be a cause of ulcers in the stomach and duodenum but probably exacerbates and perpetuates them."

THE WORD TO DOCTORS

"Patients with bronchitis, peptic ulcer, and arterial disease should be advised to stop smoking," the Royal College suggests to doctors. "Even a smoker's cough may be an indication that the habit should be given up."

The report observed that the proportion of nonsmoking British doctors has doubled in recent years from 24 percent in 1951 to 50 percent in 1961. "The doctor who smokes cigarettes must, like any other individual, balance these risks against the pleasures he derives from smoking and make his choice. But the doctor who smokes will lessen the effect of public education concerning the consequences of the habit and will find it harder to help his patients who need to stop smoking."

PREVENTIVE MEASURES

The Royal College report is not the first comprehensive analysis to be made of the smoking-health problem. But it is probably the best factual statement, buttressed by over 200 citations of scientific sources, to be written in the plain English which the average layman can understand. (Besides being widely summarized in the British press, the first 15,000 copies of "Smoking and Health" were sold out on publication day and it since has become a paperback best seller.)

"Smoking and Health" is also the first report to spell out a practical program of preventive measures for the individual and the Government. Some specific recommendations:

More public education, and especially of schoolchildren, concerning the hazards of smoking. "The Central Council for Health Education and local authorities spent less than \$5,000 (\$14,000) in 1956-60, while the tobacco manufacturers spent \$38 million (\$107 million) on advertising their goods during this period. Such public education might advise safer smoking habits (filter-tips, longer stubs, preference for pipes or cigars) for those whose addiction is too strong to be broken."

More effective restrictions on the sale of tobacco to children ("cigarettes are freely available in slot machines"). Wider restrictions on smoking in public places.

Raise the tax on cigarettes, and perhaps lower taxes on pipe tobacco and cigars. ("Pipe smokers incur a considerably smaller risk than cigarette smokers. The risk in those who smoke only cigars is even smaller and may be no greater than that for non-smokers.")

"Since filters vary in efficiency, it would be desirable to have them tested by some official agency and have the results indicated on the packet."

The Royal College report was immediately subjected to full Parliamentary discussion, and Enoch Powell, the minister of health, informed the House of Commons: "The Government certainly does accept that this demonstrates authoritatively and unquestionably the causal connection between smoking and lung cancer and the more general hazards to health of smoking." The report's recommendations, he said, "are under consideration by the Government."

WHITHER WASHINGTON?

The forthright British approach was in sharp contrast to the timidity with which the health services, regulatory agencies and legislators in Washington, D.C., have shied away from the clearly defined issue of smoking and health. In 1959 the Surgeon General of the U.S. Public Health Service published in the *Journal of the American Medical Association* a lengthy report which covered much the same ground as the current Royal College report, and accepted the causative role of ciga-

rettes in lung cancer. But, unfortunately, some of the Surgeon General's colleagues had written into the report a brief paragraph which downgraded and dismissed filtertips even as partial health protection, and the Federal Trade Commission seized upon this convenient excuse to sweep the whole issue of the tar and nicotine content of American cigarettes under the carpet.¹

There have been, however, a few faint but encouraging signs of a change of heart. Dr. Michael B. Shimkin of the National Cancer Institute has come out publicly in support of the American Cancer Society's proposal for a Federal regulation requiring that all packages be clearly labeled with the tar and nicotine content of the cigarettes.

Following the publication of the Royal College report (but only then), it was disclosed that a House Appropriations subcommittee had heard the testimony, in closed sessions, a month earlier, of physicians from the National Institutes of Health. They stressed the overwhelming evidence linking cigarette smoking with lung cancer and other diseases, and urged an educational campaign on the hazards of smoking.

The FTC, apparently, has been holding its own closed-door meetings to find some way out of its quandary. The trade paper, *Advertising Age*, quoted Byron H. Jacques, head of the FTC bureau of trade practice conferences and industry guides, as admitting: "If there is really a significant difference in the health hazards involved in filter-tips compared with nonfilters, some change in our attitude might be necessary."

The FTC has long argued that it needs scientific authority and new legislation to handle the job properly. But many well-informed Washington lawyers maintain that the Federal Government (Food and Drug Administration, FTC, or USPHS) has all the authority it needs under present laws, including the broad Federal Hazardous Substances Act, which went into effect in July 1960. Many cigarette manufacturers state, privately, that they would welcome package labeling and standardized testing but (for sound legal reasons) only if the Government takes the initiative and tells them what to do.

So the question is: Who will take the initiative? Perhaps we shall have to wait until (as seems likely) the British set the precedent and shame us into following their lead. Meanwhile, this observation in a well-known British medical journal, the *Lancet*, should be pondered in Washington: "Future historians will have views on our failure to find even a partial solution to the problem of smoking during the first 10 years after its dangers were revealed. The enormous and increasing number of deaths from smoker's cancer may go down in history as a strong indictment of our political and economic ways of life."

COMPACT TO ESTABLISH A MULTI-STATE AUTHORITY TO OPERATE A RAIL TRANSPORTATION SYSTEM BETWEEN WASHINGTON AND BOSTON

Mr. PELL. Mr. President, in connection with my recent statement concerning rail passenger service between Washington and Boston, I submit for appropriate reference a Senate joint resolution which would grant the consent of Congress to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia to negotiate and enter into a

compact to establish a multi-State authority to modernize and operate a passenger rail transportation system along the present right-of-way between Washington and Boston.

Mr. President, it is my strong belief that the establishment of a multi-State authority to operate this passenger service would represent a long-range solution to the rail passenger needs along this line. It is not enough to gage our sights at somehow managing to get through another 3 months or even 3 years. It is, indeed, also high time that we take advantage of technological advances which are available to us. A serious and detailed study of the very best modern facilities should be made. There is no reason why our citizens should not be afforded comfortable, fast, air-conditioned and noiseless travel, which is not only essential to their well being, but also to the prosperity of this region, which contributes such a large proportion of the wealth and industry of our Nation.

The general reaction to my recent proposal has been most heartening. In fact, 10 newspapers up and down the eastern seaboard between here and Boston, have supported all or part of this proposal. I am more than ever convinced that practical aspects and feasibility of the plan should be further explored and implemented.

Mr. President, I very much hope that the Congress will soon take favorable action on this joint resolution for I am convinced that its passage would stimulate the States concerned to move forward on the negotiation of the compact so that a multi-State public authority could be established at the earliest practicable date. I ask unanimous consent that the joint resolution be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, will be printed in the RECORD.

The joint resolution (S.J. Res. 194) granting the consent of Congress to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia to negotiate and enter into a compact to establish a multi-State authority to construct and operate a passenger rail transportation system within the area of such States and the District of Columbia, introduced by Mr. Pell, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas the eastern seaboard area containing the eight States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia, is rapidly becoming a megalopolis, and now has a population of over 37,000,000, and contains almost 30 percent of the Nation's manufacturing and 21 percent of the Nation's retailing establishments, as well as the Nation's Capital;

Whereas this area is now serviced by a multitrack system of railroads which for the most part have sufficient rights-of-way to provide adequate passenger transportation throughout the area, but the railroads involved have not been able to provide such passenger service on a paying basis and must

¹ See "Facts We're Not Told About Filter-tips," the *Reader's Digest*, July 1961.

rely on profits from freight transportation to keep their entire systems operating;

Whereas it therefore appears that a Government authority must be organized to provide such passenger service which is essential to the welfare of the Nation as well as the area involved, and that the existing railroads would continue to provide necessary freight transportation; and

Whereas it appears that a multi-State authority formed by the States involved would be the best type of governmental authority to carry out this passenger rail transportation function: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and to the District of Columbia to negotiate and enter into a compact for the purpose of establishing a multi-State authority to construct and operate a passenger rail transportation system within the area of such States and the District of Columbia.

SEC. 2. Such consent is given upon the following conditions:

(1) a representative of the United States, who shall be appointed by the President of the United States, shall participate in such negotiations and shall make a report to Congress of the proceedings and of any compact entered into; and

(2) such compact shall not be binding or obligatory upon any of the States involved or upon the District of Columbia unless and until it has been ratified by the legislature of each of such States and approved by the Congress of the United States.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

CONVENTIONS OF GENERAL CONFERENCE OF INTERNATIONAL LABOR ORGANIZATION—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive C, 87th Congress, 2d session, which are conventions adopted by the General Conference of the International Labor Organization, and were transmitted to the Senate today by the President of the United States. I also ask that the President's message be printed in the *Record* and, with the conventions, referred to the Committee on Foreign Relations.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of a convention (No. 116) concerning the partial revision of the conventions adopted by the General Conference of the International Labor Organization at its first 32 sessions for the purpose of standardizing the provisions regarding the preparation of reports by the governing body of the international labor office on the working of conventions. Convention No. 116 was adopted at the 45th session of the International Labor Conference, at Geneva, on June 26, 1961.

I transmit also for the information of the Senate the report of the Secretary of State regarding this convention, together with a copy of a letter addressed by the Secretary of Labor to the Secretary of State with respect to the convention.

JOHN F. KENNEDY.

THE WHITE HOUSE, June 1, 1962.

(Enclosures: (1) Report of the Secretary of State, (2) certified copy of ILO Convention No. 116, (3) copy of letter from the Secretary of Labor.)

NOTICE OF HEARING ON NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, June 8, 1962, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of Oliver Seth, of New Mexico, to be U.S. circuit judge, 10th circuit, vice Sam G. Bratton, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi [Mr. EASTLAND], chairman, the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Nebraska [Mr. HRUSKA].

SCHOOL DROPOUTS

Mr. WILEY. Mr. President, on Monday last, I had printed in the *CONGRESSIONAL RECORD* an address which I delivered at the DeVry Institute, on May 24. The title of it was "National Calamity of Dropouts." When I began to study this subject, I was thoroughly shocked to learn how many of our children drop out of school. Russia's current rate of technical training should cause us to pause; she is producing engineers at the rate of approximately 126,000 annually, while we are producing only 45,000. Red China's enrollment is going from 117,000 to 660,000. It must be clear that in the terms of defense requirements and of space exploration requirements, our need for expanded technical education is urgent. We remember that Khrushchev said, "We will bury you."

As a Senator, I am disposed to view the dropout as a serious threat to our national survival. There was a time when the defense of our Nation depended upon the brawny arm, the hardy constitution, the steely courage of the minuteman at Lexington, the gunner aboard the U.S.S. *Constitution*, the Rough Rider charging up San Juan Hill, the devildog Marine going over the top at Chateau-Thierry. The next war will not be waged with muskets or cutlasses or cavalry sabers or Springfield rifles. It will be won with intercontinental missiles, space ships, antimissile rockets, and with world-wrecking atomic weapons that in thinking about them the mind recoils in horror.

So, Mr. President, I feel that we had better know more about school drop-

outs. We should study the situation and determine what can best be done. A clear reason for urgency in the expansion of technical education is the fact that automation has changed from a mammoth concern of the future to a mammoth concern of the present.

Therefore, in my talk I announced my intention to submit a resolution to investigate the national calamity of dropouts, their character, and their causes, and to have the committee to which the resolution is referred seek the means of eliminating them.

Mr. President, the youth of Wisconsin and of all of America represent one of the greatest and most precious assets of our national life.

The future of our Nation, of freedom itself, and of the ideals in which we believe depends upon the maximum development, utilization, and dedication of the talents and genius of our youth—the hope of the America of tomorrow.

Fundamental to a sound youth-development program, of course, is our educational system. Despite nationwide efforts to improve it and to increase the opportunities for youth, a special problem plaguing our progress is the too-great number of dropouts from our school system.

For this reason, I now submit a resolution to authorize a congressional study of the dropout trend in our educational system. Such a study would, I believe, not only help us better understand the involved problems, but also would enable us to ascertain the best ways to halt this trend.

I ask unanimous consent that the resolution and a statement of its purpose be appropriately referred and be printed at this point in the *Record*, together with several letters which I have received since I delivered the address.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred; and, without objection, the resolution, statement, and letters will be printed in the *Record*.

The resolution (S. Res. 348) was referred to the Committee on Labor and Public Welfare, as follows:

Resolved, That the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to make a full and complete study and investigation of the failure of many individuals to complete the level of education which they had been pursuing in the public and private schools in the various States.

SEC. 2. For the purposes of this resolution, the committee, through January 31, 1963, is authorized to (1) make such expenditures as it deems advisable; (2) employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized at its discretion to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on

Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

Sec. 3. The committee shall report its findings upon the study and investigation authorized by this resolution, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1963.

The statement and letters presented by Mr. WILEY are as follows:

STATEMENT BY SENATOR WILEY

The future progress and security of our Nation will depend upon a reservoir of well-educated, well-trained citizens.

Currently, the United States is attempting to improve its educational system so as to provide the educated, skilled, trained manpower needed for the space age. A special problem confronting the Nation is that of dropouts from school—at grades 6-8, high school, and college level. According to a recent study, for example, about 35 percent of the students enrolled in high school drop out before graduation. Unless such trends can be curbed, the country may suffer serious consequences.

NEED FOR PUBLIC AWAKENING

Realistically, the challenge confronts us, as individuals—including both parents and students—as well as a nation.

The youth of America—who may be inclined to drop out—should be confronted with such facts as: The competition for better jobs is greater today because the majority of young people are high school graduates; finding a job is more difficult for a nongraduate; the nongraduate is not promoted as fast as the graduate; most occupations—law, medicine, engineering, teaching, selling, almost any one you can name—require first the broad education background represented by a diploma and then specialized training; the less skilled workers are of declining importance in the Nation's total working force (from 1940 to 1957, the number of workers employed in considered to be less skilled occupations, for example, dropped from 30 to 16 percent); the high school graduate earns more money; during his adult earning years, the graduate will receive an estimated \$49,000 more than the eighth grade graduate, and \$30,000 more than the high school dropout.

NATIONAL SECURITY

For national security, also, maximum education is necessary. The Armed Forces report that during World War II—700,000 young men were rejected for military service because they could not read or write. In addition, 700,000 with little or no education were accepted for low-level assignments.

As guardians of freedom, graduates are better able to absorb military technical training; have a better opportunity to be selected for military schooling; have a better opportunity for advancement in rank; are better equipped to assume positions of leadership.

INDUSTRIAL REVOLUTION

The United States, too, is entering into a new phase of the industrial revolution—the era of automated production, requiring still more new and advanced skills of American workers. For the years ahead, for example, the wheels of progress will be powered, more and more by atomic energy. In 1960 about 210 atomic reactor operators were at work; by 1980 an estimated 18,670 will be required. Only high school graduates are accepted for training for these highly technical fields.

Industry, too, needs more engineers—one for every 40 workers (in 1900, the ratio was

one for 400 workers). For every professionally-trained engineer, industry needs, on the average, a crew of five trained technicians.

OUTLOOK IN PROFESSIONS

The professions, also, need more highly-trained personnel. By 1965, we will probably need 45,000 more doctors; 75,000 more college trained nurses; 485,000 more elementary and high school teachers and 120,000 more college teachers; 80,000 more natural scientists; 100,000 more engineers.

CONCLUSION

For the individual, then knowhow—acquired by education and training—may spell the difference between failure and success. According to manpower experts, the economy has barely enough trained and educated people now to make full use of day-to-day discoveries in almost every field—nuclear energy, electronics production, construction, aviation, transportation, medicine, etc.

Unless the Nation's manpower is developed to the maximum extent through education and training, we will not fully realize the great future possible for our country.

By conducting a special study, the Congress, I believe could make a real contribution toward: (a) Creating a broader knowledge of, and concern about, the cause of dropouts; (b) make recommendations for curbing the trend; and (c) serve the best interests of the individual, and the Nation.

HERBERT M. KRAUS & Co.,
Chicago, Ill., May 29, 1962.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILEY: We note with interest your address at the DeVry Technical Institute dinner last week. You may be interested in learning that Encyclopaedia Britannica Films, Inc., has launched its first 4-year high school design to cope with the dropout problem, as well as to utilize to their fullest, the resources of gifted children, in Chicago.

Heading up the new Academy for Adults is Gordon G. Dupee, onetime president of the Great Books Foundation. Mr. Dupee has some very challenging observations to make on the subject of school dropouts. We know you would be interested in talking with him.

If you plan to be in Chicago again in the immediate future, we would be most happy to have you visit with Mr. Dupee in the new school; otherwise, he would be able to see you either in Washington or in Wisconsin any time after June 14.

Incidentally, the chief executives of the Encyclopaedia Britannica and Encyclopaedia Britannica Films, Inc., will be in Chicago for a press conference on the new school, on June 12. The press conference will be followed by an open house of programed learning for guidance counselors and school administrators on June 14. If your schedule permits, we would be most happy to have you join us on either of these occasions. The June 14 open house particularly would give you an opportunity to visit at length with a number of educators who are very close to the school dropout problem.

May we congratulate you on your proposed investigation of the school dropout problem. Such an investigation is bound to produce tangible results of benefit to American youth and indeed to the entire economy.

Very sincerely,

DAVID M. JOHNSTONE.

DEVRY TECHNICAL INSTITUTE,
Chicago, Ill., May 28, 1962.
The Honorable ALEXANDER WILEY,
U.S. Senate Office Building,
Washington, D.C.

MY DEAR SENATOR WILEY: In coming to Chicago and talking to over 200 high school

and college educators about the student dropout problem, you have done a big favor to the people of America and particularly those of the central West.

We have had numerous phone calls and some letters concerning further interest in the dropout problem and know you have started a wave of thinking which can have untold beneficial results.

For the entire DeVry Tech organization, including both Mr. DeVrys and myself, let me thank you very kindly for the big favor you have done for all of us.

Best wishes to both Mrs. Wiley and yourself and lots of luck on the fall campaign.

Cordially yours,

T. J. LAFEVER,
President.

STEEL'S PROFIT PROBLEM

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, a speech entitled "Steel's Profit Problem," delivered by Allison R. Maxwell, Jr., president of the Pittsburgh Steel Co., at the general meeting of the American Iron & Steel Institute, in New York City, on May 24, 1962.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STEEL'S PROFIT PROBLEM

(By Allison R. Maxwell, Jr., president, Pittsburgh Steel Co.)

A few months ago, when I was invited to talk here, I reviewed previous talks made from this podium, and found them interesting reading. Down through the years, many of the greatest leaders in the steel industry have passed along to us some of the soundest practical wisdom and business philosophy ever presented to any industry. And, time and again, throughout their talks, these steelmen forewarned us of impending crises.

I knew then this talk would be a challenging assignment. For my subject, I selected "Steel's Profit Problem." And I began to prepare an analysis of the industry's profit trends for a talk full of more forewarnings.

Then, during the days that followed, a series of events occurred. An avalanche of Government abuse and coercion, triggered from the White House, came roaring down on us. We were engulfed in a crisis of historic proportions. My subject—"Steel's Profit Problem"—suddenly became a matter of national interest. Yet far more than profit is involved. We are locked in a crucial battle—not only for our economic welfare as an industry—but for preservation of our freedoms.

I hope you will bear with me, therefore, when I use this occasion to enlarge on my subject. Circumstances demand it.

I want to make it clear from the outset, that I am speaking here this morning, not as a spokesman for this industry, and not as the president of a company that has been subpoenaed, or as an individual who has been subpoenaed—at least not until this talk has been completed.

The contents of my talk have not been cleared, approved, or controlled in any way by American Iron and Steel Institute, or by any officials of other steel companies. I am speaking as president of one of the smaller companies in the industry; and the thoughts expressed here are strictly my own. My theme is this:

First, the steel industry is faced with grave economic problems. While we have grown and flourished on competition, today we are competing in the toughest market contest

we have ever encountered. Not only do our companies compete with each other, but we are beset by competition from foreign steel producers, and from other materials.

To hold and expand our markets, we must be able to offer the users of steel quality products and superior service at competitive prices. This requires tremendous new investment in ultramodern facilities, to make better steel at lower cost. The money to finance this investment is ultimately derived from just one source—profits.

Rising costs have been outstripping prices for many years now, gradually whittling our profits away and weakening our capabilities. Increasing our profit, therefore, is our imperative No. 1 objective—the essential key to the future welfare of our industry.

Second, the steel industry is faced with equally grave political problems. Steel is one of the mighty bulwarks of private enterprise that has made our Nation great. Yet today, we are the central target for Government regulation.

The opponents of competitive enterprise have grown immensely powerful. With flagrant disregard for facts, they can now denounce, discredit, and vilify business leaders before the public—employ the combined forces of Federal police power and purchasing power, and resort to legislative inquisition, for purposes of coercion—and have their assault spearheaded by the highest office in the land.

Steel has long tried to do its part in preserving the economic freedoms that have made ours the greatest industrial Nation in world history. But perhaps we have been deluded by believing the benefits are so great—in peace and in war times—that they must also be self-evident. Now we have conclusive proof that we have not done enough to establish these benefits in the court of public opinion.

So if we hope to see private enterprise survive, our course of action must begin to marshal public opinion more effectively. We must carry our story to our employees and shareholders, to those who represent us in Washington, and to 185 million Americans—with every resource at our command.

At the same time, we must oppose with equal vigor the efforts of a tiny handful of Government officials whose pursuit of power over business and industry exceeds their understanding of the public interest, and shows utter disregard for the constitutional principles on which this country has been founded.

COMPETITION

Now, let's turn first to the economic problems that confront us, beginning with competition. All of the steel companies represented here compete in the total market for steel—a market that has become worldwide in scope, and a market that is expanding.

But the U.S. share in this expanding market has been shrinking. Foreign competitors are displacing us in markets abroad, and invading our markets at home. If we had maintained our 1953-57 average participation in world export trade, and prevented further import erosion, we would have shipped 6 million tons more than we actually shipped during 1961.

This 6 million tons means loss of \$1.2 billion in annual sales volume. It has lopped some 50,000 jobs off our payrolls, and cost steelworkers over \$300 million annually in wages. Technological unemployment? Yes. But due to technological advances by our competition.

Since 1950, world steel production has doubled, increasing from about 200 million to 400 million tons a year. Nor is this all. World capacity will expand to more than 500 million tons a year by 1965.

So, if our progress has been inadequate to cope with competition from these mills in the past, it will be even less adequate in

the future. This prospect should vitally concern everyone who is interested in maintaining the industrial supremacy of this great Nation.

Now why has this occurred? Since the end of World War II, our Government has, in effect, been subsidizing our competition. Foreign producers have been able to build their tremendous steel capacity largely as a result of direct and indirect U.S. aid.

On the one hand, Government foreign policy is encouraging and partially paying for development of free world economic concentrations, cartels, and free trade associations that compete with individual U.S. businesses. In steel, we find ourselves beleaguered by foreign competitors who are equipped with modern facilities, favored by tax advantages in their own countries, guided by coordinated planning and control, and manned by low-cost labor. They have decisive advantages.

On the other hand, Government restrictions on business here at home are equally specific. Steel is hampered by disadvantageous tax provisions; harassed into accepting high labor costs, as five lengthy and exhausting strikes since World War II will amply attest; harried by Government interference in pricing policies; and proscribed from engaging in any coordinated program to meet the competition.

There can be no question about the need for foreign aid or for free trade among nations—for the welfare of our country and of the free world—as the Soviet offensive looms ever more threatening.

But there can be no defense for Government policies embracing free trade with one hand, and simultaneously wrecking the chances for U.S. industry to compete in free trade, on fair and equal terms, with the other.

Now, how can we recover and expand our markets, increase employment and improve job security, discharge our responsibilities to our shareholders and to the steel industry, and perform our patriotic duty to our Nation more effectively?

PRICES AND COSTS

In steel's markets, the customer is king. He buys on the basis of quality, service, and price.

So, each individual steel company is acutely aware of the functions of pricing; more so than some outsiders who pose as experts on this subject. For nearly 4 years now, there has been no general increase in steel prices. This fact reflects competition in today's markets.

But while prices must be low enough to hold today's markets, they must also be high enough to build the markets of tomorrow. Prices have a double role to play in competition. They must be attuned to the immediate; and they must also help provide profits to buy superior tools for lower costs and competitive prices in the long-range future. Prices reflect a delicate balance of both short- and long-range competitive requirements, far too intricate for manipulation by the heavy hand of government.

The cost-price squeeze on profits has become increasingly intense over the past 12 years. Undeniably, we have been gaining productivity. If we didn't, we would be presiding at our liquidation. But the gains have been buried by wage increases that outstrip the productivity advance by more than 9 to 1.

Even the latest agreement exceeds by 50 percent the average annual productivity increase since 1940. And this agreement does not become noninflationary just because the administration puts that label on it. It is not a noninflationary agreement just because it is less inflationary than previous agreements. It is, in fact, just one more increment in an inflationary trend that has been long developing.

We hear from Washington that wage increases should equal productivity gains. This is an insidious doctrine. Raises have exceeded productivity gains by such wide margins, and for so many years in the past, that increases equaling these gains are already being paid well in advance and for many years to come.

Yet, productivity springs primarily from investment in better production tools. Today, when we are faced with a critical need for more and better tools, this doctrine would deny us greater use of the fruits of progress for investment.

More productivity gains must carry through to profit, so that productivity will continue to gain—and gain by leaps and bounds—if we are to surpass our competition. All answers to the threat by competition revolve around rapid improvement of production tools and unrestricted freedom to market our products profitably.

For some unexplainable reason, these two inseparable concepts do not enjoy equal popularity. Nearly everyone will agree to the need for new and better equipment. Proposals to spur capital expenditures win popular acclaim. But suggest that industry must generate more profit to build new plants, and this arouses controversy.

PROFIT TRENDS

Steel industry profits have been scored repeatedly by a distinguished array of critics. Politicians, labor leaders, pseudoeconomists, and many well-known socialist propagandists have at various times denounced our profits as "exorbitant," "shameful," "fantastic," and even "fabulous." Even recent industry profits (in the range of \$700 to \$800 million a year) are cited as evidence of "unconscionable gouging." Excessive profits have been the battler for attacks on steel by those who seek to extend the coercive control of Government over private business.

And now this time-tested, antibusiness strategem is being used again. The White House points to the profits of a few companies, for one or two quarters, labels them among the highest on record, and implies that we are profiteering.

This charge, however, has never gained much acceptance with the financial community and investing public. They view our profits as a 5- to 6-percent return on our current \$13.7 billion in total investment, and on our annual sales volume in the range of \$13 to \$14 billion; and they fail to find the glamor in it. They appraise our financial record, and regard our profits as uncertain and sporadic. Some are beginning to question the wisdom of all steel investments.

And so we find profits—indisputably the essential prerequisite to progress—surrounded by confusion and misunderstanding. The very word evokes political emotions, when this serious hour calls for objective study of the facts. The course of future legislation, therefore, will depend in large measure on this industry's ability to create greater understanding of our profit problem.

To this end, I would like to offer here this morning a new approach to understanding profits. It is not my intention to overwhelm you with statistics; but the problem is not simple. My purpose is to present steel's profit problem as it relates to economic forces.

Profit analyses are most commonly based on time comparisons. For example: what did the industry make in 1961 as compared to 1960, or in 1961 versus 1955 or 1950? But when profits are analyzed using time as the basis for comparison, some important facts are concealed.

Profits do not fluctuate because of time. They are directly related to economic forces—the most important being: (1) cost-price relationships, and (2) volume. For

many years now, each round of wage increases, and consequent adjustments in the cost-price relationship, have eroded our earning capacity. So this analysis will take the cause-and-effect approach—providing a before-and-after look at what has happened to our profits.

First, to reflect the influence of cost-price relationships, we can select four periods during these past 12 years: 1950-51, 1953-54-55, 1957-58, and 1960-61. These periods were free from strikes—the strikes having occurred before each period—and reflect the aftereffect on cost-price relationships.

Second, to reflect the influence of volume, we can use quarterly sales in each of these periods. This lets us evaluate profits at many more levels of sales activity, for valid comparisons. Analysis of industry earnings for one or two quarters—by a few companies—White House style—is not nearly so revealing as study of the earnings of 36 separate quarters at 36 different volume levels—showing the average trend for 576 quarterly returns by 16 companies representing 87 percent of the industry.

Chart No. 1 [not printed in RECORD]: Here is a chart showing the profit path for these companies during the eight quarters in the 1950-51 period. You will notice the base of the chart represents quarterly sales in billions of dollars. The vertical scale shows profit as a percent return on invested capital. To determine profits, quarterly pre-tax returns have been uniformly reduced by the 52 percent income tax rate to avoid the distortions caused by changes in tax regulations; and annualized to present a correct relationship to invested capital. So, they provide a valid basis for comparison of performance.

Each dot on this chart represents profit for a certain quarterly sales volume. For example, the first dot on the left shows that industry profit at a quarterly sales volume of \$1.8 billion amounted to a 9 percent return on invested capital. The last dot on the right shows that profit at a quarterly sales volume of a little over \$2.6 billion amounted to a 14 percent return on invested capital. The diagonal line through these dots shows the calculated profit-volume path for 1950 and 1951, following the 45-day strike in 1949.

Chart No. 2 [not printed in RECORD]: Here are the 12 quarters during the 1953-55 period—following the 59-day strike in 1952. You will note that the first dot on the left shows profit at a quarterly sales volume of \$2.2 billion, amounting to just over 6 percent return on invested capital. At right, profits on quarterly sales in the range of \$3.4 billion amounted to a 13 percent return on invested capital. The diagonal line represents the calculation of our profit-volume path for these years.

Chart No. 3 [not printed in RECORD]: Here is our profit-volume path for the eight quarters in the 1957-58 period, following the 36-day strike in 1956. You will note that the first dot on the left shows profit at a quarterly sales volume of \$2.5 billion, amounting to just over 4 percent return on invested capital. At right, profits on quarterly sales of about \$3.7 billion amounted to just under 12 percent return on invested capital.

Chart No. 4 [not printed in RECORD]: Finally, we come to our profit-volume path for the 8 quarters in the 1960-61 period, following the 116-day strike in 1959.

Chart No. 5 [not printed in RECORD]: Gentlemen, here is what happened to our profit path during these past 12 years. Note the descending levels of return on investment following each change in the cost-price relationship. Here is the result of the cost-price squeeze. Here is irrefutable evidence of the erosion of our profit potential. Let's analyze this chart.

Chart No. 6 [not printed in RECORD]: Let's compare profits during periods of equivalent sales volumes over these 12 years. On quarterly sales volume in the range of \$2.6 to \$2.8 billion: our profit amounted to a 14.4 percent return on investment in 1950-51. It declined to 8.9 percent in the 1953-54-55 period. It slipped to 5.9 percent in 1957-58; and reached 3.7 percent during the 1960-61. On the same sales volume, our profit as a return on investment is approximately one-fourth of what it was 12 years ago.

Chart No. 7 [not printed in RECORD]: Let's compare profits at an equivalent range of return. Let's take the 10 to 12 percent range for example. In the 1950-51 period, we could generate this return on average quarterly sales of \$1.9 billion. To generate this return during 1960-61 required average quarterly sales in the range of \$4 billion—or double the sales volume required 12 years ago.

Gentlemen, this analysis conforms to established accounting practice in every detail. From an accounting standpoint, the evidence is unassailable. Further analysis will show that profit returns on sales follow the same trend. We have dwelt on returns on invested capital, because they relate to the availability of funds for new equipment.

However, the practice of picking up figures out of context, and misusing them to distort the truth, seems to have become a popular pastime among industry critics. So let's summarize this study with a more conventional approach.

Chart No. 8 [not printed in RECORD]: This chart shows the specific net profit return on invested capital, taken from annual reports for the same 16 companies. Note that we have preserved the same cause-and-effect time periods for our before-and-after look at profit returns as they relate to growth in investment. The bars show how capital investment has climbed during these past 12 years—increasing from \$5.8 billion in 1950-51 to an average of \$11.6 billion in 1960-61. The line shows what has happened to our average after-tax profit as a percent return on investment. It has dropped from 11.1 percent to an average of 9.7 percent following the 1952 strike—to 8.6 percent following the 1956 strike—and finally to 5.8 percent following the 1959 strike.

Gentlemen, I realize that any analyst can lift a simple dollar transaction into the dim and mystic realm of confusion. I submit that there can be no confusion here. These are unvarnished facts. And ugly as they may appear, they must be faced; and we must probe still deeper to assess their true significance.

Some proponents of big government can look upon these facts with joy. They see our loss of earnings as evidence of victory for what they term the "public interest." But if it is a victory, according to their socialistic precepts, it will be short lived.

The true interests of the public are not served by loss of profit, because profit is the wellspring of growth. When profits fall, funds for new investment vanish. When profits rise, investment funds abound.

FUNDS FOR NEW EQUIPMENT

Let's see what has occurred in steel. Let's look at the effect of waning profits on funds required to replace wornout and obsolete equipment; and funds required to modernize with new equipment—new equipment that will reduce our costs to competitive levels.

To begin with, dig into the profit trends we have explored and you will find that they are inflated. In part, they represent capital erosion. Allowances for replacement of facilities are understated because of tax rules and accounting practice in the reporting of depreciation allowances.

Over the past 12 years, construction costs have risen 66 percent. We have needed far

more depreciation than we have been allowed, just to stay even—just to keep abreast of the wear and tear on existing facilities. Amendment of tax regulations to permit realistic depreciation policies is long overdue.

Tax regulations providing anything less than full replacement allowance, in current dollars adjusted for inflation are not enough, if we are to compete on fair and equal terms with foreign producers. And as noted speakers from this platform have repeated, time and again, fair provision can't come soon enough.

In the absence of adequate depreciation allowances, we have been forced to rely more heavily on profits for income to reinvest—just to stay even. But as we have already seen, profits are shrinking.

So we have gone beyond this, and resorted to heavier borrowings. We have gone still further and sold stock. To the extent that borrowings and the sale of stock have been required to make up for capital erosion, we have increased our debt load, diluted stockholders' equity, and heavily mortgaged future earnings. Yet we have been unable to keep pace with our favored foreign competition.

Liberalized depreciation rules and tax credit legislation now before the Congress will, without question, serve to ease this problem. But they will not provide the total answer as some would lead us to believe. They will aid us in the future, but do not make up for inflation in the past. So they do not change our problem: to meet our competition, we must increase our profits.

THE ROUTE TO SOCIALISM

Gentlemen, let's turn now from economics to the political arena. By reviewing economic trends, we can do some Monday morning quarterbacking, and move to change them in the future. But let's not count on being Monday morning quarterbacks in the game of politics. Few have ever found a way to replay the game that we're engaged in now.

Contrary to popular belief, socialistic governments do not spring up overnight. Change from a democracy to government by regimentation is seldom quite that rapid. The transformation comes gradually, by stealth. Trace the histories of countries swallowed by dictatorship, and you will find this common pattern:

A closely knit clique acquires power by slowly and tentatively expanding their sphere of control, watching signs of public reaction, pausing and changing their tactics, then moving relentlessly onward—until they gain unrestrained power. Sometimes, the final seizure is quite sudden, but it has always been a long time in the making.

For many years now, since the days of the New Deal, observers have been warning us, sometimes from this very platform, that America is losing its freedoms, and moving in the direction of socialism. Now listen to this newspaper report from just 6 weeks ago:

"The arsenal of weapons the President wheeled into his all-out economic foray against big business leaders was an awesome display of coldly determined political and economic power seldom, if ever before, employed by Government. Every major governmental department got into the act."

You will recall the circumstances. United States Steel Corp. had raised its prices. To discuss the merits of the United States Steel decision here would be inappropriate, and totally irrelevant. But the issue it has raised is of vital importance to each of us, and to all free citizens. One very noted and respected commentator put it this way:

"Is this democracy, or is it the forerunner of a quasi-Fascist system? Is it a government under a written constitution; or is it a government by usurpation of legislative authority?"

When the White House was informed of United States Steel's price raise, the newspapers factually reported that businessmen could now expect all hell to break loose. The White House clique displayed its fury. But what is more significant, it did so in a way implying dire consequences: let the Nation tremble; retribution is at hand.

And what is more profoundly disturbing, few considered it to be important that no law had been violated. Yet United States Steel, and other companies which increased their prices competitively, were treated as transgressors.

The indictment: their actions did not conform to the public interest as viewed by the administration. Their crime: they did not obey some nebulous higher law—a set of guidelines the administration alone can define and enforce, without benefit of legislation—the law of the New Frontier.

Now we have some insight into what this new law means. It means sacrifice of traditional freedoms. Few seem to recognize that in the administration's appeal for sacrifice in the name of its concept of public interest, we are being asked to deny the fundamental freedoms that are basic to democracy.

We may decry specific power tactics, but these are merely symptoms of an issue far more fundamental and decidedly more dangerous. It would be an error to dismiss these actions as merely antibusiness; when the real issue is that big government is anti-individual rights.

The obvious direction of all of its policies is toward a form of socialism in which the pretense of private property is retained, while in fact, prices, wages, production and distribution are dictated by bureaucrats.

As of the present moment, the administration will not dare to advocate price or wage controls openly. It knows the public would repudiate such policies. What it seeks, therefore, is to be the unofficial arbiter of wages and prices. It imagines—or pretends—that it will confine price and wage control to critical industries such as steel, while leaving the rest of the economy relatively free.

But controls breed controls. Every act of Government intervention into free markets produces harmful consequences. And then, the choice of Government becomes: Abandon intervention, or extend it further. Inevitably the choice will be extension. And the result: More and more controls, more and more regulations, to get us over crises and emergencies which Government policies have actually created.

People fall prey to socialism by failing to recognize the signs of its approach soon enough; by failing to oppose the growing restriction of freedoms until it is too late—sometimes through ignorance, sometimes through moral cowardice, sometimes through suicidal belief that they will be able to profit from it. We cannot afford to let this happen to us.

THE TASK AHEAD

Now let's summarize. Let me remind you first, the remarks I offer are strictly my own. They have no endorsement by American Iron and Steel Institute or by any member companies. Yet, it is my deep conviction that this statement must be made.

The economic problem this industry faces is grave. We must generate more profit—in the tradition of a free market economy—and use it wisely.

We cannot permit slow strangulation of our profits—as we are caught in the crush between rising costs and competitive prices—to choke off our progress, to weaken our market position and to take further toll in wages and unemployment. We must meet this problem head on. The need for greater

profit is exceedingly important to the long-range welfare of the steel industry and to the public interest of the Nation we serve.

We must modernize more rapidly to reduce costs, to recover markets in the future, and ultimately to surpass our competition. We must pay more dividends to restore investor confidence, and to attract more funds to build up more efficiency. And our success will be recorded in the cold figures on our profit statements.

The political problem we face is equally as grave. In this serious hour in our Nation's history, when we are confronted with grave crises abroad, when our Government is asking servicemen to risk their lives, I am sure you will find it hard, as I do, to accept a situation in which a tiny handful of Government officials, in their pursuit of monopoly power over business and industry, undermine the profit system that has made our Nation great, and the very constitutional freedoms they have sworn to uphold.

By what principle under the Constitution, or by what act of Congress, does this oligarchy set prices, malign free citizens, and unleash retaliation against those who do not conform to their decrees against pursuit of private business enterprise?

Sixteen months ago, the Nation asked this administration to defend the Constitution and the principles for which it stands. Six weeks ago, we had our answer.

I am sure you will find it hard, as I do, to witness the powers of regimentation we are seeking to defeat abroad, now threatening our way of life at home; to witness Government's inflationary overspending, and find inflation blamed on industries that must—by economic law—confine their spending to the limits of their balance sheets; to hear an appeal for restraint, and witness those who voice the appeal, deny by their actions, that this applies to them; to hear demands for sacrifice, when the sacrifice they seek is freedom.

Many hundreds of thousands of steelmen, who have given their lives on the battlefield, or fought to preserve our freedoms, or produced the overwhelming tonnages of steel to bring us victory, down through the great conflicts of modern warfare, must view in mute amazement the spectacle presented, when their patriotic sacrifice is ridiculed by this administration.

Despite this effrontery, we must continue to do our part and more, for the economic welfare and the public interest of the Nation we have helped to build. We must cooperate with Government to do this job effectively. We cannot permit the misguided ambitions of a few to defeat these vital objectives. And we would indeed be derelict in our duty to all steelmen, and to our Nation, if we did not strive, with every effort we can muster, to defend our freedoms.

Cooperation must result from greater understanding—of the problems steel faces—of our resolution to resolve them. And to serve the public interest best, cooperation must be based on mutual respect for the traditions of our American heritage.

HOWARD COUNTY, TEX., DEMOCRATIC CONVENTION PRAISES PRESIDENT JOHN F. KENNEDY AND THE DEMOCRATIC ADMINISTRATION

Mr. YARBOROUGH. Mr. President, at a recent county convention of the Howard County, Tex., Democrats, held at Big Spring, Tex., a resolution was passed May 12, 1962, commending President

Kennedy and the Democratic administration.

I ask unanimous consent to have printed in the RECORD the resolution signed by Frank Hardesty, chairman of the Howard County Democratic Executive Committee.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION, HOWARD COUNTY DEMOCRATIC EXECUTIVE COMMITTEE, BIG SPRING, TEX.

Whereas the President of the United States, John F. Kennedy, shows a complete understanding of the problems of our country both domestic and foreign; and

Whereas since President Kennedy took office in January 1961, action has become synonymous with Washington; and

Whereas our Nation is now definitely moving in the right direction in regard to living up to our responsibilities in both foreign and domestic matters; and

Whereas this Democratic administration clearly shows that it has the interest of the people at heart in its action to stop inflation and the spiraling cost of living; and

Whereas the Gallup poll shows that 78 percent of the Nation approve the way that our President is handling his job: Be it therefore

Resolved by the Howard County Democrats in county convention assembled this 12th day of May 1962, That we concur with the majority of the people of the United States in supporting the firm hand of a strong President and are responsive to his bold leadership in domestic and international affairs, and we commend likewise our distinguished U.S. Senator RALPH W. YARBOROUGH, and our most capable Congressman GEORGE MAHON for the part they have played in making this Democratic administration such a successful and progressive administration.

Passed May 12, 1962, in county convention.
Certified by:

FRANK HARDESTY,
Permanent Chairman.

LATEST SURVEY OF WHOOPING CRANE POPULATION OF WORLD

Mr. YARBOROUGH. Mr. President, Mr. Noel Pettingell, of Hazlet, N.J., living far removed from either the breeding range of the nearly extinct whooping cranes in Canada, or their wintering grounds in Texas, is yet one of the foremost authorities on the whooping cranes' fight for survival.

Through the courtesy of ornithologist Victor Lloyd Emanuel, of Houston, himself an authority on the Eskimo Curlew, I have received Mr. Noel Pettingell's latest compilations, tables, and notes on which his whooping crane population summary is based, and Mr. Pettingell's permission to use them.

In view of the fact that more species of wild birds are found in Texas than in any other State—100 more species than the next richest State in number of species of wild birds—that the first national convention of the Audubon Society ever to be held in Texas will be at Corpus Christi this fall, and that the projected Padre Island National Seashore Recreation Area has stimulated interest in the rich avifauna of the lower Texas gulf coast, I ask unanimous consent to have printed in the RECORD at this point Mr. Noel Pettingell's summary and notes on

the whooping crane, under the title "Whooping Crane Population Summary." There being no objection, the material was ordered to be printed in the Record, as follows:

Whooping crane population summary

[Compiled by Noel Pettingell, 8 Miriam Place, Hazlet, N.J.—January 1962]

I. ANNUAL POPULATION TOTALS: 1938-61

Year	Total world population ²	Texas-Canada flock ³			Louisiana flock ⁴		Birds in captivity	
		Total ¹	Adults ¹	Young	Adults ¹	Young ¹	Adults ¹	Young ¹
1938.....	30	18	14	4	11		1 (Nebraska).....	
1939.....	36 (3)	22	15 (3)	7	11	2	do.....	
1940.....	34 (7)	26	21 (1)	5	6		2 (Nebraska and Louisiana).....	
1941.....	23 (13)	15	13 (13)	2	6		do.....	
1942.....	26 (1)	19	15 (0)	4	5		do.....	
1943.....	27 (4)	21	16 (3)	5	4		do.....	
1944.....	27 (3)	22	19 (2)	3	3		do.....	
1945.....	29 (1)	25	22 (0)	3	2		do.....	
1946.....	29 (3)	25	22 (3)	3	2		do.....	
1947.....	34 (1)	31	25 (0)	6	1		2 (Louisiana).....	
1948.....	34 (3)	31	28 (3)	3	1		do.....	
1949.....	37 (1)	34	30 (1)	4	1		do.....	
1950.....	33 (0)	31	26 (5)	5	(9)	(9)	do.....	
1951.....	27 (11)	25	20 (11)	5			2 (Louisiana).....	
1952.....	23 (6)	21	19 (6)	2			do.....	
1953.....	26 (0)	24	21 (0)	3			do.....	
1954.....	23 (3)	21	21 (3)				do.....	
1955.....	30 (1)	28	20 (1)	8			do.....	
1956.....	27 (5)	24	22 (6)	2			3 (Louisiana and Texas).....	
1957.....	31 (2)	26	22 (2)	4			do.....	2
1958.....	38 (3)	32	23 (3)	9			5 (Louisiana and Texas).....	1
1959.....	39 (1)	33	31 (1)	2			6 (Louisiana and Texas).....	
1960.....	42 (3)	36	30 (3)	6			do.....	
1961.....	45 (3)	38	33 (3)	5			do.....	1

Total offspring, Texas-Canadian flock (1939-61)..... 96
Total adult losses, Texas-Canadian flock (1939 versus 1938 to 1961 versus 1960)..... 76
Net gain, Texas-Canadian flock (1938-61)..... 20

¹ As of Dec. 31.

² Adult losses (versus preceding year) in parentheses.

³ Migratory.

⁴ Nonmigratory (White Lake, Vermilion Parish).

⁵ Louisiana flock extirpated by end of 1950.

II. SUPPLEMENTARY DATA BY YEAR SINCE 1938

1938: Annual crane census begun at Aransas Migratory Waterfowl Refuge (now Aransas National Wildlife Refuge), approximately 35 miles northeast of Corpus Christi in southeast Texas.

1940: "Josephine" (now "Jo"), a Louisiana flock cripple, captured and placed in Audubon Park Zoo, New Orleans. (Note.—Only other crane in captivity—"Pete"—was found crippled at Gothenburg in south central Nebraska in May of 1936.)

1946 (?): Captive "Pete" transferred from Gothenburg, Nebr., to zoo at St. Louis, Mo.

1946: Two young birds of Texas-Canada flock remained on Aransas refuge during summer.

1947: Aransas flock total (31) includes 1 male ("Crip") injured in February and consequently unable to migrate north to Canadian breeding grounds. Captive "Pete" transferred from St. Louis to Audubon Park Zoo, New Orleans, where only other captive, "Jo," is also confined.

1948: Captives "Pete" and "Jo" transferred from New Orleans to Brackenridge Park Zoo in San Antonio, Tex., thence (in October) to Aransas refuge where they are confined within a 145-acre tract surrounded by a 9-foot fence. Aransas flock total (31) includes nonmigrant "Crip" and 2 on Matagorda Island (east of refuge). One non-crippled female remained at Aransas refuge during summer.

1949: Captive "Pete" dies July 21 at Aransas refuge (15 or more years old). "Crip" captured and placed in enclosed area on Aransas refuge with only other living captive "Jo." World population total 37 is highest since start of census in 1938. (Note.—Total was 38 prior to death of "Pete" in July.)

1950: "Crip" (4 or more years old) and "Jo" (12 or more years old) produce. First whooping crane born in captivity on May 24 at Aransas refuge ("Rusty"), but chick only survives 4 days (killed by predator—raccoon?). Last survivor of Louisiana

flock, "Mac," is transferred to Aransas refuge March 11 but is killed by predator in September while in semicaptive state (10 or more years of age). Possible total whooping crane population prior to September: 42.

1951: Captives "Crip" and "Jo" transferred from Aransas refuge to Audubon Park Zoo, New Orleans in December.

1952: World population total equals lowest since start of census in 1938: 23 (in 1941).

1954: Nesting grounds of Aransas flock discovered June 30 in southwest northwest territories, western Canada (west of where Sass River empties into Little Buffalo River in northeast Wood Buffalo National Park, south of Great Slave Lake, in southern district of Mackenzie). World population total gain equals lowest (23 in 1952 and 1941) since start of census in 1938.

1955: First Canadian nest in 33 years found on May 16 in Wood Buffalo Park. (Previous record: Muddy Lake, 7 miles south of unity, southwest Saskatchewan in southern Canada on May 28, 1922.) Aransas flock total (28) includes 18 birds on refuge, 6 adults and 1 young-of-year on Matagorda Island, and 3 birds on Mustang Island, 5 miles south of Port Aransas (east of Corpus Christi) and some 28 miles south of Aransas refuge.

1956: "Crip" and "Jo" produce second and third whooping cranes ever born in captivity (first since 1950) at Audubon Park Zoo, New Orleans, but chick which hatched May 29 dies July 13 from lung disease while chick born May 31 is killed by predator (owl or rat?) June 3. Adult female "Rosey" found crippled near Lometa, Tex. (between San Antonio and Fort Worth) is captured and transferred to Brackenridge Park Zoo, San Antonio (see also 1948) about June 6; she is fourth captive whooper since 1936 and second female since 1940. Texas-Canadian flock loss of six birds includes "Rosey," one young (of 1955) male which did not migrate to Canada but last noted at Aransas on July 17, and four other birds which did not return to the refuge from the Canadian breeding grounds.

1957: "Crip" and "Jo" produce fourth and fifth whoopers born in captivity—"George" (hatched May 18) and "Georgette" (hatched May 21)—at Audubon Park Zoo, New Orleans; first two captives to survive entire year (oldest previous: 45 days—first chick born in 1956). One of two Aransas adults which did not migrate north to Canada died at the refuge in June; another adult failed to return from breeding grounds in fall.

1958: "Crip" and "Jo" produce offspring third year in row: sixth whooper (name?) born in captivity (third to survive entire year) is hatched April 30 at New Orleans, thus 4 adults and 1 young in Louisiana plus 1 adult in San Antonio equals total of 6 captives; 18 adults and 9 young on Aransas refuge plus 5 adults on Matagorda Island (as of December 27) equals 32 in Texas-Canadian flock; 32 plus 6 equals 38—highest year-end world population total since start of census in 1938. (Note.—One additional young-of-year at Mingo National Wildlife Refuge, southeast Missouri until December 17, thus 39 birds known to exist as of this date; possible 41 alive prior to December 17, including Mingo bird and 2 adults lost during year.)

1959: Approximately 22 adults and 2 young at Aransas plus approximately 9 adults on Matagorda and St. Joseph Island (east of refuge) after November 1, plus 6 captives equal total of 39—new record high (at year's end, since 1938) for second consecutive year.

1960: "Crip" and "Jo" produce seventh and eighth whoopers born in captivity (May 17 and c. May 20), but neither chick survives. (Note.—Jo laid six eggs in 1960.) Known world population total 42 as of December 31 is new record high (since 1938) for third consecutive year. (Note.—Possible 45 birds survive prior to November 15.) Aransas flock total 36 is new record high (since 1938). Two Texas-Canadian migrants remained on Matagorda Island during summer.

1961: "Crip" and "Jo" produce ninth whooper born in captivity April 17 (name?)—their fourth surviving offspring. Seven captive cranes (five adults and one young at New Orleans plus one adult female at San Antonio) plus 36 migrants (including five young-of-year) at Aransas refuge and vicinity equal a total of 45 individuals surviving as of December 31—a new record high (since 1938) for fourth consecutive year. (Note.—Possible 48 alive prior to December 13.) Aransas flock total 38 is new record high (since 1938).

III. GENERAL INFORMATION

Probable maximum population: 1,300 to 1,400 (up to c. 1860).¹

Life span: Feral birds, 7 years (average). Captives, nearly 40 years (maximum).

Migration periods (extreme dates): Leave Aransas Refuge, Tex., c. March 27 to May 8. Arrive Wood Buffalo Park, Canada, c. April 17 to May 29. Leave Wood Buffalo Park, c.

¹ R. P. Allen comments as follows with regard to the relative abundance of the whooping crane: "It may seem astonishing that few early travelers encountered the whooping crane, but we now believe that it has been comparatively rare since the early Pleistocene" (i.e., c. 1,000,000 B.C.—N.P.). Excerpt from Allen's "Whooping Cranes Fight for Survival" in Nov. 1959 National Geographic magazine. Another pertinent observation is offered by James C. Greenway, Jr., in his book "Extinct and Vanishing Birds of the World" (1958), as follows: "It is often confused with the sandhill crane (*G. canadensis*), with which it associates on migration * * * apparently errors in identification * * * caused ornithologists to believe the birds were much more common than they actually were between 1923 and 1933, causing protection to be delayed too long."

September 19 to November 9. Arrive Aransas Refuge, October 12 to c. February 1.

Flying time to and from breeding grounds (approximately 2,500 miles). Aransas refuge to Wood Buffalo Park: Approximately 3 weeks. Wood Buffalo Park to Aransas: 3 weeks (adults) to 6 weeks (young).

Breeding periods of captive birds: Aransas, c. April 21 to May 4. New Orleans, c. February 14 to May 21.

Basic sources of information on whooping crane (*Grus americana*): "National Audubon Society Research Report No. 3, 'The Whooping Crane'" (published July 1952 and containing data through 1949 and early 1950). "A Report of the Whooping Crane's Northern Breeding Grounds" (1956) (a supplement to research report No. 3). Both these publications were compiled by Robert Porter Allen who is the foremost authority on the species and who held the post of research director for the National Audubon Society from 1954 to 1960.

HEART-WARMING RESPONSE TO CHINESE REFUGEE PLIGHT

Mr. KEATING. Mr. President, following some discussion we had here on the floor the other day regarding the desire that the United States do its share with other free nations in helping to solve the problem of refugees from Red China, I received two or three critical letters asking why I wanted to bring more Chinese into this country when we already have an unemployment problem.

I hold in my hand the answer to that argument.

The Hickey-Freeman Co., of Rochester, N.Y., one of the Nation's leading clothing manufacturers, has just informed me that it is ready to offer employment to 150 Chinese refugees as tailors, hand sewers, and sewing machine operators. This offer has the support of labor and plans are already underway to making housing available for the refugees.

In their wire to me, the company indicates that its offer is prompted by "economic and humanitarian" motives. I commend this firm for its action and hope it will serve as an inspiration to others throughout the country and the world.

We sometimes forget that even in areas of unemployment, certain skills may be in short supply. This is the practical aspect of the company's offer. If it can get the tailors and other people it needs rather than taking jobs from Americans in the area, it actually would be opening up new opportunities for local residents with supporting skills. It will be breaking an employment bottleneck.

I remember when this company needed skilled cutters and brought in 100 from Italy. It was estimated that for every 1 brought in, 11 jobs were made for other people. I know that this is a problem in the men's clothing industry, and have been trying to assist both labor and the manufacturers obtain the needed skilled employees from around the world for many years.

The humanitarian aspect of the company's offer is more apparent. Unfortunately, the free world—which has been stirred by the plight of the refugees from Communist China—has not been stirring in its response. Instead of doing every-

thing possible to build a bridge to freedom, the British, with the apparent approval of the United States, have erected a wall and even appealed to Peiping to stem the flow. We have thereby largely forfeited an opportunity to demonstrate decisively and dramatically the ability and willingness of the free world to help those communism has dismally failed.

Perhaps the offer of Hickey-Freeman will have an impact on our policies in this area by demonstrating that the American people are willing to do whatever is necessary to combat communism and help fellow human beings in need.

PROBLEMS AND SOLUTIONS OF AMERICAN LUMBER INDUSTRY

Mr. MANSFIELD. Mr. President, the executive secretary of the Montana District Council, Lumber and Sawmill Workers' Unions, Mr. Robert C. Weller of Kalispell, Mont., recently furnished my colleague, the junior Senator from Montana [Mr. METCALF], myself, and Representative OLSEN, with his comments on the presentation of the National Lumber Manufacturers Association to the Congressional Conference on American Lumber Industry Problems and Solutions.

On behalf of my colleague, I ask unanimous consent to have printed at this point in the Record, Mr. Weller's perceptive comments, and pertinent portions of the industry's presentation.

There being no objection, the material was ordered to be printed in the Record, as follows:

LETTER FROM ROBERT C. WELLER, EXECUTIVE SECRETARY, MONTANA DISTRICT COUNCIL, LUMBER & SAWMILL WORKERS' UNIONS UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA, AFL-CIO, KALISPELL, MONT., APRIL 18, 1962

First of course, there is an import problem, but I am amazed that the industry concentrates all of its thoughts on Canadian imports and completely overlooks not only the imports of Japanese plywood but the fact that Washington and Oregon logs are being shipped to Japan to produce the plywood. Plywood is fast replacing common lumber in most phases of construction. The difference seems to be that the American lumber industry or its plywood channels completely control the sale and distribution of Japanese plywood, and therefore make a greater profit on it than on American plywood.

They don't point out to the Congress that American mills have not been able to compete in the log market and have laid off hundreds of American workers. Neither do they point out that the large plywood monopolies shut down huge mills without notice, and lay off hundreds of workers from time to time, while supplying the market with a Japanese product. Of course, they're not able to control the distribution of Canadian lumber or profit by it, so they complain about it. Their complaints to a great extent are justified, all of their proposed solutions are not.

We would favor import controls by quota provided they apply to Japanese imports and other imports as well as Canadian.

We favor restricting shipments in transit because these shipments lead to distress dumping. American railroads have banned them, Canadian railroads have not, but these cars do come into the United States at some point or other, and there should be a way

to regulate such shipment by the U.S. Interstate Commerce Commission.

We favor the Department of Commerce arranging and even supervising conferences between lumber industry representatives of the two countries and also of other countries such as Japan.

We do not favor regulation of Canadian or other imports by tariff, believing that this leads only to price protection and higher prices at the expense of the consumers. We believe quota imports to be a better solution if regulation is needed.

We are not authorities on the manipulation of currency, and we don't believe the lumber industry is either. Neither would we trust their motives in this particular direction.

We favor a requirement of American-made products, including lumber, in all projects federally or State financed or insured, or involving public contracts in anyway. We recall that the new Montana Unemployment Compensation Building has an interior finish of imported Japanese paneling and an exterior finish of imported Japanese tile.

We favor any possible study of possibilities of greater export of American manufactured products, but not forest products as such, believing that this would open the door to further exportation of American logs rather than American finished products.

We favor prominent marking of foreign-made wood products, and in this connection point out "made in Japan" is printed so small that it is overlooked by most purchasers of plywood.

We do not want lumber or wood products, including logs, included as "agricultural commodities" under any act, and we very vigorously oppose Mrs. HANSEN'S H.R. 11136. This is a gimmick to set aside a Fair Labor Standards Act, and probably a considerable amount of other Federal legislation as being inapplicable to the lumber industry. We favor instead legislation to take all present forestry activities of the Department of Agriculture and transfer them to the Department of the Interior, which more properly deals with natural resources.

We view with concern the four proposals made by the industry on February 21 to the Secretary of Agriculture, keeping in mind these matters are dealing with public-owned timber that the industry more and more seems to consider their own private personal property. We hope the Secretary of Agriculture continues to take little action on the proposals.

We very particularly oppose the industry's proposals for any system having for its purpose the lowering of timber appraisal prices by the Forest Service.

The lowering of Forest Service appraised prices on public-owned timber will result in the small private timber owner having to sell at lower prices. Conversely the large timber owners in the lumber industry such as J. Neils, Anaconda, and Diamond would not sell one stick of their own timber at today's appraisals.

No timber is being sold at the appraised prices. The very operators that complain loudest about appraised prices are outbidding each other far and above the appraised prices, and I think that the public is entitled to a good high price for its timber, just as the large timber holders demand and get a good high price for theirs.

Certainly, timber is valuable property these days, and the timber owned by the public should be just as valuable as anybody else's and should be carefully guarded precisely by the Congress and by whatever public agencies are involved. Reducing the price of the public's timber will allow the large timber owner to hoard its own holdings while exploiting the public's holdings.

We note a news story from the Sacramento Bee, Sacramento, Calif., dealing with a sale

in the El Dorado National Forest. The estimated value (appraisal) was \$22,740. The high bid was \$147,460, seven times the appraised value. The next high bid was \$94,856. The amount of timber involved was 14.2 million feet. Obviously a very high sale that led to speculation for stumpage control. To lower the appraisals would only leave more room for speculation and add exploiting to it.

We are also opposed to Mrs. HANSEN's H.R. 11135, setting up an expensive appeals procedure within the Forest Service. This would allow the larger operators to keep timber sales tied up in appeals procedure at the expense of smaller operators and providing another control over the public's resources by the manufacturing industry.

While we have not noted any reference to ocean shipping in the industry's presentation, we are opposed to any relaxation of regulations requiring American products to be shipped in American bottoms. The industry locally has been trying to get support for shipment in foreign-owned bottoms to avoid the higher costs of wages, etc., of American seamen.

THE AMERICAN LUMBER IMPORT PROBLEM

(Prepared by National Lumber Manufacturers Association, Washington, D.C., for the Congressional Conference on American Lumber Industry Problems and Solutions, April 11, 1962)

Briefly, some of the factors which are of serious concern to the forest-based communities dependent upon a prosperous lumber industry for their economic security are:

1. Total U.S. lumber production, at 31.7 billion board feet in 1961, was 4.2 billion board feet below the 13-year average for the period 1949-61.

2. One of the major segments of U.S. lumber production, softwood lumber, at 27.5 billion board feet of production in 1961, was also down nearly 1.8 billion board feet below the 13-year average for this same period, 1949-61.

3. At the same time, softwood lumber imports from Canada were up from 1.4 billion board feet in 1949, to 4 billion board feet in 1961. Canada supplies about 95 percent of the total U.S. imports of lumber. In 1961 alone there was an increase of 400 million board feet in lumber imports from Canada. Canada supplied 5.2 percent of U.S. consumption of softwood lumber in 1949, and in 1961 approximately 14 percent. Lumber imports from Canada are up approximately 186 percent over the past 13 years.

4. As of April 6, 1962, the U.S. Bureau of Labor Statistics advises there are more than 200,000 men and women formerly employed in the lumber and wood products industries now drawing unemployment compensation. This figure does not include unemployment in the retail and wholesale trade. There are approximately 3 million employees in all the 50 States employed in the lumber and wood products industries.

The forest products industries of the States of Oregon, Washington, California, and Idaho provide over one-quarter of a million direct jobs, and if related services and community jobs are included, these industries provide over 1 million jobs.

5. According to the Wall Street Journal of April 4, 1962, Canadians are able to capture whatever share of the U.S. market they desire by quoting prices 3 to 8 percent below U.S. producers.

6. Current tariffs between the United States and Canada are as follows:

(a) Most U.S. softwood lumber of the major general construction species bears a rate of 7.5 to 10 percent ad valorem (\$5 to \$7.50 per thousand board feet) when exported to Canada.

(b) On the other hand, most Canadian softwood lumber entering the United States

bears a tariff and tax of from 25 cents to \$1 per thousand board feet.

7. Some of the principal reasons for the sharp increase in Canadian imports are:

(a) Government-pegged lower stumpage costs: The average stumpage costs in British Columbia, 1960, all species, \$5.38; the average stumpage costs in Western United States, 1960, all species, \$20.02; the average stumpage cost in the Pacific Northwest, 1960, all species, \$22.89; the average stumpage costs in the South, 1960, southern pine, \$26.

(b) Government-granted transportation advantages: Because of regional transportation advantages available to Canadian lumber producers, the Canadians are able to ship their products to many U.S. markets at a decided competitive transportation advantage over American producers.

(c) Government-manipulated currency exchange advantages: In 1961, the Canadian Government artificially pegged the Canadian dollar at 95 cents as compared to the U.S. dollar. This single act had the effect of reducing the price to U.S. purchasers of Canadian lumber by 5 percent, or, stated differently, giving to Canadian lumber producers a 5-percent advantage in U.S. markets.

(d) Positive Government assistance in trade mission and other export development activities: Both the provincial and the central government are actively engaged in the promotion of Canadian lumber exports to the United States and other markets. However, they appear to concentrate their efforts with respect to lumber and wood products on exporting to the United States.

LUMBER INDUSTRY SOLUTION TO FOREIGN IMPORT PROBLEM

Because of recent sharp increases in the quantity of softwood lumber entering the United States from abroad, mainly softwood lumber from Canada, which can be attributed to specific advantages given to foreign producers by their government, the lumber industry in the United States advocates a six-point program to eliminate these inequities so as to provide equal opportunity for the sale of American lumber in the United States and its provinces.

1. We request that the U.S. Department of Commerce arrange an immediate conference between lumber industry representatives of the United States and Canada to discuss the serious problems created by excessive forest products imports into the United States;

2. The objectives of this meeting should be the removal of existing softwood lumber tariffs between the two nations until such time as imports in either country reach 10 percent of its domestic softwood lumber consumption, after which a 10-percent tariff would be assessed by that country on further imports;

3. We strongly urge that appropriate agencies of the U.S. Government take prompt action to counteract the manipulation of their currency by nations with lumber products competing with the U.S. lumber industry in the U.S. markets;

4. We urge such implementation and extension of the Buy American Act principle as may be necessary to assure that all lumber and wood products used in construction, federally financed and/or federally insured (as in FHA-insured housing), is of domestic manufacture;

5. The possibility of invoking section 22 of the Agricultural Marketing Agreements Act of 1937, to obtain quantitative limitations in the importation of forest products into the United States should be investigated; and

6. Inasmuch as exports are of such great importance to the American lumber economy, a thorough market study should be made with the specific objective of expanding the export of American forest products.

THE DEPARTMENT OF AGRICULTURE

On February 21, more than 50 representatives of the Nation's lumber industry met with Secretary of Agriculture Freeman to present to him the lumber industry's recommendations regarding national forest management.

Attending that meeting were 45 Members of Congress and administrative assistants to Members.

The lumber industry's presentation to the Secretary simply requested consideration of four changes in Forest Service administration.

The four proposals pertaining to allowable cut, appraisal methods, appeals procedure, and contract review are set forth below.

These four specific issues have been developing over a long period of time. Many industry groups have been involved in negotiating and refining these issues with the Forest Service for more than 10 years.

The solution of these problems will make a major contribution to community stability and reduce the cost of lumber to the consumer.

There are numerous other Government timber problems which need attention. On these four specific points the entire industry is united in urging immediate action. Their meaning is clear to both the industry and to the Forest Service. They are capable of prompt administrative action.

It has been 7 weeks since the lumber industry presented these proposals to the Secretary. No word has been received from the Department of Agriculture on this matter, although numerous Members of Congress have requested action.

Some word should soon be forthcoming.

PERFORMANCE STANDARDS

Proposal No. 1 would set forth the objective of national forest timber management as providing for a high degree of productivity with due regard for stability of dependent communities, continuity of employment and a healthy wood-products industry. These were important objectives of the Forest Service for many years following Secretary of Agriculture Wilson's famous directive of 1905 which also referred to the greatest good of the greatest number in the long run. The proposed new regulation would establish standards of performance for national forest management. It would require an annual report in the nature of an accounting which could be used to appraise the productivity of the national forests.

TIMBER APPRAISALS

The second proposed regulation deals with timber appraisal practices and is intended to allow the Forest Service to sell Government timber without taking advantage of its monopoly position where there are no alternative sources of timber supply. A monopoly proprietor, whether a private entity or the Federal Government is in a position to exact artificially high prices for his products. Federal administrators responsible for management of public timber and the General Accounting Office must recognize that in this monopoly position the Federal Government has a life or death power over dependent purchasers and communities. There is a real need for a regulation to guide the administrators to preclude their taking advantage of the Government's monopoly position. The regulation proposed by the industry would provide that appraised prices be based on average costs of production and of average selling prices of products rather than on bid prices which may be unrealistically high due to lack of an alternative source of supply, failure to offer the full allowable cut, excessive mill capacity or speculation as to future values. The proposal would require that the lumber prices

used in arriving at appraised prices be based on current markets rather than speculative forecasts. It would require that profit allowances be based on averages for competing industries. Costs of logging, manufacturing, and selling should be based on industry averages as related to local sale conditions.

APPEALS PROCEDURE

The third proposal is a request for a new appeals procedure. It proposes a prompt and impartial procedure for resolving contract and contract administration and performance differences. The U.S. Forest Service in its management of the national forests is not subject to the requirements of the Administrative Procedures Act. The present appeals procedure is slow and expensive, and the final decision remains with the seller, the Federal agency.

CONTRACT REVISION

The fourth proposal is a request for a complete revision of the timber sale contract form in order to establish a normal buyer-and-seller relationship between the Forest Service and the industry. At the present time, the contract form permits a one-sided relationship by reason of an excessive amount of power and control in the hands of the seller, permitting arbitrary, unilateral seller domination of the buyer-and-seller relationship.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SHIPMENT OF RICE BY RED CHINA TO CUBA

Mr. CARLSON. Mr. President, I would not wish to let this opportunity pass without making a comment on an item which appears in the morning press, which states that Red China has delivered to Mr. Castro in Cuba 24 million pounds of rice, which is said to have arrived at Cienfuegos yesterday. This is a shocking report in view of millions of starving Red Chinese.

In this great Nation we are concerned about starving Chinese people, and sincerely so concerned. We are sympathetic with them in their hunger, difficulties, and problems. Yet I would feel it a neglect of my duty if I did not express my sincere regret upon learning that the Red Chinese are shipping 24 million pounds of rice to Castro in Cuba at a time when millions of their own people are starving. I think our Nation should take note of that as we begin to talk about sending food into Red China. This action proves that the Red dictatorship has no compassion for their hungering and suffering people.

SEATRAN SERVICE TO ALASKA

Mr. BARTLETT. Mr. President, the other day the Fairbanks Daily News-Miner editorially pointed out:

An important new chapter in Alaska's development history was quietly marked last Friday morning at Whittier, when railroad

freight cars loaded in Canada and the smaller States rolled onto Alaska Railroad tracks, to be unloaded at Anchorage, Clear, and Fairbanks.

The editorial, which appeared in America's farthest north daily May 21, explains what this service is and what it can mean in the developing economy of Alaska. The editorial goes on to state:

With inauguration of Canadian National Railways' new "Aqua-train service," all manner of consumer goods and commercial items for interior Alaska can now be loaded into railroad cars at any rail point in the smaller States or Canada, and not touched again until the car doors are opened for unloading at the warehouse door in Fairbanks.

We can now eliminate the costly handling and rehandling of Alaska-bound freight in Seattle—unnecessary labor which Alaskans have been paying for with every purchase for more than half a century.

Up until now "one-car through freight service" (with consequent lower freight charges) simply has not existed for Alaskans. Virtually every item purchased by Alaskans—groceries, clothing, automobiles, machinery, etc.—has been loaded into railroad cars at point of manufacture and shipped to Seattle.

In the Puget Sound city Alaska-bound freight is unloaded, moved into a warehouse or storage area, moved back out and carted to the dock, loaded aboard ship, unloaded off the ship into a warehouse or storage area, loaded again onto trucks or the Alaska Railroad—and, finally, unloaded once again at a warehouse in Fairbanks, Anchorage, or other railbelt destination.

Accompanying all this costly shuffling, handling and rehandling was another costly unnecessary shuffle: Man-hours involved in the mountains of paperwork necessary to keep track of the origin, present whereabouts, and final destination of each item of freight—plus all the bookkeeping necessary to separate all the charges of the several carriers involved.

Alaska's transportation has for many years been caught in the middle of the "chicken or egg first" problem: Development has been stymied because freight rates and cost of living were too high; cost of living and freight rates were too high because of lack of sufficient volume and lack of a south-bound freight haul which comes with development.

It's a vicious cycle.

The CNR "Aqua-train" is the opening wedge to break this transportation-development logjam.

The Canadian National Railways operation involves running railroad cars onto barges at Prince Rupert, B.C., and unloading the cars at the Alaska Railroad terminal at Whittier. Routing via Prince Rupert shortens the distance from Midwest and Eastern manufacturing centers to railbelt Alaska from 600 to 800 miles.

The shorter distance, plus substantial savings accruing from elimination of unnecessary handling en route, gives CNR a substantial and distinct cost advantage over Seattle, traditional freight gateway to Alaska.

The Canadian National-Alaska Railroad recently published freight rates offer substantial savings to Alaska consumers in the comparatively heavily populated railbelt—savings which we are sure Alaskans are going to be quick to grasp.

Unless Seattle and American railroads serving the Pacific Northwest promptly modernize present antiquated Alaska freight handling methods, the traditional freight traffic pattern from the smaller States to Alaska is going to swing north. Prince Rupert will largely replace Seattle as the "Alaska Gateway City" within a very few years.

Alaskans have many friends in Seattle, and vice versa. There is not going to be any overnight change in source of supply to Alaskans. Habit and close Seattle-Alaska business affiliations extending over many years past are factors which will preclude any dramatic, abrupt departure from the Alaska custom of trading with and through Seattle.

But the change will come. In fact, it has already started. Prince Rupert is in business as an Alaska gateway city, and that designation will be permanent. Inauguration of the Alaska State ferry system operation next year, connecting Prince Rupert with all principal southeastern Alaskan communities, will add impetus to Prince Rupert's role as an Alaskan gateway.

Increasing development is bringing increasing competition among Alaska businesses. Competition forces the most economical supply sources, and the most efficient transportation routings. Prince Rupert has logistical and economical advantages over Seattle—advantages which must be utilized by the Alaskan businessman who must at least stay abreast of competitors to survive.

Whether Prince Rupert 5 years from now is known as "An Alaskan Gateway City" or as "The Alaskan Gateway City" is largely dependent upon whether Seattle finds efficient methods to be competitive. We hope Seattle does.

Aside from sentimental reasons it is to Alaska's advantage to have competitive supply sources and competitive shipping methods and routes. Competition is the heart of the American free enterprise system which has developed the 49 smaller States and which will develop our resource-rich Alaska.

Regardless of what the future brings in competition between Alaska gateway cities, May 18, 1962—"CNR Aquatrain Day"—will be an important date when Alaska's development history is written.

A hearty and sincere "well done and thank you" is in order from Alaskans to the foresighted railway executives who put new "Aqua-train" service into operation. Special bouquets are merited for G. R. Graham, CNR vice president, former ARR General Manager Donald J. Smith, and present ARR General Manager John Manley.

A few years from now we will be able to look back and clearly see the transportation barrier to Alaska's development was breached in 1962.

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

BIPARTISAN EFFORT FOR FINAL SETTLEMENT OF AMERICAN WAR CLAIMS PROBLEM ANNOUNCED—COMPREHENSIVE AMENDMENTS PRESENTED

Mr. KEATING. Mr. President, Congress has done a grave injustice to tens of thousands of American war claimants by failing for 17 years to authorize payment for losses they suffered during World War II. After much controversy and delay, an inadequate filing bill was reported to the Senate last September and is now on the Senate Calendar.

This bill has languished on the Senate Calendar much too long. It should be called up promptly, appropriately amended, and speedily enacted. No one Senator should have the right to veto consideration of this measure because of his opposition to either the bill or our proposed amendments.

The funds for payment of American war losses are available. An agency for processing such claims—the Foreign Claims Settlement Commission—is in existence. The missing ingredient for final action is legislation authorizing the filing and payment of claims. Everything possible must be done to prod essential legislative action at this session of Congress.

The American war claims bill (S. 2618) which has been on the Senate Calendar for many months, should be scheduled for action promptly. The chances for adoption of the amendments we are today proposing to this bill are very good. Approval of this legislation with these amendments would bring us close to a final solution of the war claims problem and would be a significant accomplishment for this Congress.

There has been a great deal said recently about the obligations of the United States to pay the balance of funds for Philippine war claims. During the morning hour today, the Presiding Officer laid before the Senate a communication relative to the Philippine bill, with an accompanying resolution of the House of Representatives of the Republic of the Philippines. I am very sympathetic to this program and would support any reasonable legislation to redeem our pledges to the people of the Philippines.

But what of the Americans who have been waiting 17 years for payment of their claims? More should be said and done about this problem. It is time someone spoke up as eloquently and forcefully for our own citizens as for our friends in other parts of the world.

The American war claims bill deserves a high priority in our deliberations. I am confident that if given the opportunity, an overwhelming majority of the Congress would support the kind of legislation which is needed and would redeem our commitments to our fellow citizens.

A brief summary of the amendments to S. 2618 which we believe are needed follows:

First. An amendment to restore the provisions for payment of adjudicated claims rather than their mere filing as provided in the pending bill. There is no justification at this date for deferring payment of legitimate claims. Both this

administration and the prior administration strongly urged payment of the war claims out of the proceeds of the former enemy assets vested during World War II. A House subcommittee has recommended a war claims bill with payment provisions, and the full House Interstate and Foreign Commerce Committee is expected to recommend this measure to the House in the near future. Favorable House action is anticipated in the near future, and the Senate should follow the same course. This same amendment will also allow fair compensation to be paid Americans who suffered losses in Hungary. The administration has supported inclusion of these claims on a proportionate basis because of the inadequacy of the Hungarian Claims Fund to pay more than 1 percent of prior awards. This amendment is cosponsored by Senators HART, JAVITS, WILLIAMS of New Jersey, SCOTT, and myself.

Second. An amendment to permit the sale of vested assets despite the pendency of interminable litigation as to the ownership. The principal asset this would affect is the General Aniline and Film Corp., which is still being run by the Government. The amendment would fully protect the rights of the litigants to just compensation in the doubtful event they ultimately prevail in the lawsuit. In the interim, however, this huge enterprise could be freed from the dead hand of Government control and allowed to develop to its full potential under free enterprise. This amendment also has had the strong backing of both administrations, as well as the endorsement of labor unions, business groups, veterans organizations, and many civic organizations. It is cosponsored by Senators HART, CASE of New Jersey, WILLIAMS of New Jersey, JAVITS, SCOTT, and myself.

Third. An amendment to permit the lump sum settlement in the amount of \$500,000 of so-called heirless property claims. This money would be used entirely to aid in the rehabilitation and settlement of persons in the United States who suffered from persecution during the Nazi regime. It represents only a fraction of the estimated assets belonging to persecutees which our Government vested and was unable to return after World War II because of the death without heirs of the beneficiaries. This is a most humanitarian measure. It has the support in principle of both administrations, and the Bureau of the Budget has specifically approved the \$500,000 amount provided in our amendment. This amendment is cosponsored by Senators HART, JAVITS, WILLIAMS of New Jersey, SCOTT, and myself.

Fourth. The final amendment would include under the bill all persons who are nationals of the United States on the date of the bill's enactment. Without such a provision, the bill would discriminate against Americans on the basis of the length of their citizenship and leave later nationals without any remedy for the losses they suffered during World War II. We have never sanctioned any concept of second-class or junior citizenship in the law, and no precedent for

such unequal treatment of Americans should be permitted under this program. It may be that a system of priorities would be justified, but in any case we must insist upon fair treatment of all our citizens under whatever war claims bill is enacted. This amendment is cosponsored by Senators HART, JAVITS, WILLIAMS of New Jersey, SCOTT, and myself.

Mr. President, on behalf of myself and the Senators designated, I send my amendments to the desk and ask unanimous consent that they be printed and ordered to lie on the table.

I also ask unanimous consent that the texts of the amendments be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The amendments will be received and printed, and will lie on the table; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 8, line 15, amend section 204 to read as follows:

"No claim shall be allowed under subsections (a), (b), (c), (e), and (f) of section 202 of this title unless (1) the claimant and all predecessors in interest in the claim were, on the date of loss, damage, destruction, or removal and continuously thereafter until the date of filing claim with the Commission pursuant to this title, nationals of the United States, including any person, who having lost United States citizenship solely by reason of marriage to a citizen or subject of a foreign country, reacquired such citizenship prior to the date of enactment of this title if such individual, but for such marriage, would have been a national of the United States at all times on and after the date of such loss, damage, destruction, or removal until the filing of his claim; or (2) in the case of an individual who personally suffered the loss, damage, destruction, or removal for which the claim is filed is a national of the United States on the date of enactment of this title."

At the appropriate place add a new section as follows:

"SALES OF VESTED ASSETS IN LITIGATION"

"SEC. —. Section 9(a) of the Trading With the Enemy Act, as amended, is amended by striking out the period at end thereof and inserting in lieu thereof a colon and the following: 'Provided further, That upon a determination made by the President, in time of war or during any national emergency declared by the President, that the interest and welfare of the United States require the sale of any property or interest or any part thereof claimed in any suit filed under this subsection and pending on or after the date of enactment of this proviso the Alien Property Custodian or any successor officer or agency may sell such property or interest or part thereof, in conformity with law applicable to sales of property by him, at any time prior to the entry of final judgment in such suit. No such sale shall be made until thirty days have passed after the publication of notice in the Federal Register of the intention to sell. The net proceeds of any such sale shall be deposited in a special account established in the Treasury, and shall be held in trust by the Secretary of the Treasury pending the entry of final judgment in such suit. Any recovery of any claimant in such suit in respect of the property or interest or part thereof so sold shall be satisfied from the net proceeds of such sale unless such claimant, within sixty days after receipt of the notice of the amount of net proceeds of sale serves upon the Alien Property Custodian, or any successor officer or agency, and files with the court an election to waive all claims to the net proceeds,

or any part thereof, and to claim just compensation instead. If the court finds that the claimant has established an interest, right, or title in any property in respect of which such an election has been served and filed, it shall proceed to determine the amount which will constitute just compensation for such interest, right, or title, and shall order payment to the claimant of the amount so determined. An order for the payment of just compensation hereunder shall be a judgment against the United States and shall be payable first from the net proceeds of the sale in an amount not to exceed the amount the claimant would have received had he elected to accept his proportionate part of the net proceeds of the sale, and the balance, if any, shall be payable in the same manner as are judgments in cases arising under section 1346 of title 28, United States Code. The Alien Property Custodian or any successor officer or agency, shall immediately upon the entry of final judgment, notify the Secretary of the Treasury of the determination by final judgment of the claimant's interest and right to the proportionate part of the net proceeds from the sale, and the final determination by judgment of the amount of just compensation in the event the claimant has elected to recover just compensation for the interest in the property he claimed."

Amend the title so as to read: "An Act to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses, and to amend the Trading With the Enemy Act, as amended."

On page 11, line 5, insert prior to the period the following: "except any claimant whose award under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended, is recertified pursuant to subsection (b) of section 209 of this title."

Section 2: On page 11, line 7, designate the present text of section 209 with the subsection symbol "(a)" and add at the end thereof a new subsection (b) as follows:

"(b) The Commission shall recertify to the Secretary of the Treasury, in terms of United States currency, for payment out of the War Claims Fund, awards heretofore made against the Government of Hungary under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended. Nothing contained in this subsection shall be construed as authorizing the filing of new claims against Hungary."

Section 3: On page 12, line 7, amend section 213 to read as follows:

"Sec. 213. (a) The Secretary of the Treasury shall pay out of the War Claims Fund on account of awards certified by the Commission pursuant to this title as follows and in the following order of priority:

"(1) Payment in full of awards made pursuant to section 202(d) (1) and (2).

"(2) Thereafter, payments from time to time on account of the other awards made pursuant to section 202 in an amount which shall be the same for each award or in the amount of the award, whichever is less. The total payment made pursuant to this paragraph on account of any award shall not exceed \$10,000.

"(3) Thereafter, payments from time to time on account of the unpaid balance of each remaining award made pursuant to section 202 or recertified pursuant to subsection (b) of section 209 which shall bear to such unpaid balance the same proportion as the total amount in the War Claims Fund and available for distribution at the time such payments are made bears to the aggregate unpaid balances of all such awards. Payments heretofore made under section 310 of title III of the International Claims Settlement Act of 1949, as amended, on awards made against the Government of Hungary under section 303(1) of title III of the International Claims Settlement Act of 1949,

as amended, and recertified under subsection (b) of section 209, shall be considered as payments under this paragraph and no payment shall be made on any recertified award until the percentage of distribution on awards made under section 202 exceeds the corresponding percentage of distribution on such recertified award: *Provided*, That no payment made on awards recertified under subsection (b) of section 209 shall exceed 40 per centum of the amount of the award recertified.

"(b) Such payments, and applications for such payments, shall be made in accordance with such regulations as the Secretary of the Treasury shall prescribe.

"(c) For the purpose of making any such payments, other than under section 213 (a) (1), an 'award' shall be deemed to mean the aggregate of all awards certified for payment in favor of the same claimant.

"(d) If any person to whom any payment is to be made pursuant to this title is deceased or is under a legal disability, payment shall be made to his legal representative, except that if any payment to be made is not over \$1,000 and there is no qualified executor or administrator, payment may be made to the person or persons found by the Comptroller General to be entitled thereto, without the necessity of compliance with the requirements of law with respect to the administration of estates.

"(e) Payment on account of any award pursuant to this title shall not, unless such payment is for the full amount of the award, extinguish any rights against any foreign government for the unpaid balance of the award.

"(f) Payments made under this section on account of any award for loss, damage, or destruction occurring in the Commonwealth of the Philippines shall not exceed the amount paid on account of awards in the same amount under the Philippine Rehabilitation Act of 1946.

Section 4: On page 15, line 19, amend section 4 to read as follows:

"SEC. 4. Section 39 of the Trading With the Enemy Act is amended by adding at the end thereof the following new subsection:

"(d) The Attorney General is authorized and directed to cover into the Treasury from time to time for deposit in the War Claims Fund such sums from property vested in him or transferred to him under this Act as he shall determine in his discretion not to be required to fulfill obligations imposed under this Act or any other provision of law, and not to be the subject matter of any judicial action or proceeding. There shall be deducted from each such deposit 5 per centum thereof for expenses incurred by the Foreign Claims Settlement Commission and by the Treasury Department in the administration of title II of the War Claims Act of 1948. Such deductions shall be made before any payment is made pursuant to such title. All amounts so deducted shall be covered into the Treasury to the credit of miscellaneous receipts."

At the appropriate place insert a new section as follows:

"SETTLEMENT OF HEIRLESS PROPERTY CLAIMS

"SEC. —. (a) Section 32(h) of the Trading With the Enemy Act is amended by striking out all that follows the first sentence in the first paragraph down through the third paragraph, and inserting in lieu thereof the following: 'In the case of any organization not so designated before the date of enactment of this amendment, such organization may be so designated only if it applies for such designation within three months after such date of enactment.'

"The President, or such officer as he may designate, shall, before the expiration of the one-year period which begins on the date of enactment of this amendment, pay out

of the War Claims Fund to organizations designated before or after the date of enactment of this amendment pursuant to this subsection the sum of \$500,000. If there is more than one such designated organization, such sum shall be allocated among such organizations in the proportions in which the proceeds of heirless property were distributed, pursuant to agreements to which the United States was a party, by the Intergovernmental Committee for Refugees and successor organizations thereto. Acceptance of payment pursuant to this subsection by any such organization shall constitute a full and complete discharge of all claims filed by such organization pursuant to this section, as it existed before the date of enactment of this amendment.

"No payment may be made to any organization designated under this section unless it has given firm and responsible assurances approved by the President that (1) the payment will be used on the basis of need in the rehabilitation and settlement of persons in the United States who suffered substantial deprivation of liberty or failed to enjoy the full rights of citizenship within the meaning of subdivisions (C) and (D) of subsection (a) (2) of this section; (2) it will make to the President, with a copy to be furnished to the Congress, such reports (including a detailed annual report on the use of the payment made to it) and permit such examination of its books as the President, or such officer or agency as he may designate, may from time to time require; and (3) it will not use any part of such payment for legal fees, salaries, or other administrative expenses connected with the filing of claims for such payment or for the recovery of any property or interest under this section."

"(b) The first sentence of section 33 of such Act is amended by striking out all that follows 'whichever is later' and inserting a period.

"(c) Section 39 of such Act is amended by adding at the end of subsection (b) the following new sentence: 'Immediately upon the enactment of this amendment, the Attorney General shall cover into the Treasury of the United States, for deposit into the War Claims Fund, from property vested in or transferred to him under this Act, the sum of \$500,000 to make payments authorized under section 32(h) of this Act.'"

REEMPLOYMENT OF JERRY JACKIS BY AID

Mr. MILLER. Mr. President, on April 1 of this year an excellent article regarding a case in the Department of State Agency for International Development involving one Mr. Jackis, written by the distinguished reporter Mr. Clark Mollenhoff, was published in the Des Moines Register. Mr. Mollenhoff's article indicated that Mr. Jackis had been fired after having done what appeared to be an outstanding job as an auditor for the Agency of the International Development in Korea and Southeast Asia.

I suggested that possibly some unfavorable and unfair treatment had been accorded Mr. Jackis by his supervisors. On April 10, I addressed a letter to Mr. Fowler Hamilton, Director for the Agency for International Development, requesting that he review the details of the case, furnish me a statement of the facts, and also review the case with a view to determining whether or not some of Mr. Jackis' supervisors should be disciplined.

On May 3 I again wrote to Mr. Hamilton requesting a reply to my letter of

April 10. On May 11 I received a letter from Mr. John Salter, Director of the Congressional Liaison Staff, on behalf of Mr. Hamilton, indicating that a review of the facts would be undertaken.

I note with favor that Mr. Jackis was rehired by the Agency for International Development last Monday, and although his new job is not that of auditor, I understand that it is one that is quite acceptable to him as an administrative assistant handling insurance for foreign participants in the AID program.

There is only one remaining item to be ascertained, and that is whether or not any of Mr. Jackis' supervisors abused their positions and took unfair advantage of this faithful Government employee. I have been advised that a review of the record will be undertaken and is being undertaken to determine whether or not any of Mr. Jackis' supervisors should in fact be disciplined.

I ask unanimous consent that the article by Mr. Mollenhoff to which I referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**HOW VIGILANT U.S. EMPLOYEE LOST HIS JOB—
BOSSSES BIASED, FILE JUGGLED, HE SAYS
(By Clark Mollenhoff)**

WASHINGTON, D.C.—In Korea, Jerry Jackis searched out and exposed a multimillion-dollar scandal in the use of American foreign aid.

In the jungles of northern Cambodia, he rode an elephant and hiked with a small group of soldiers to determine the effectiveness of the U.S. program for digging wells, to cutdown on waterborne disease.

When he noticed that U.S.-financed concrete, asphalt and reinforcement rods were going into a Russian-sponsored hospital in Phnom-Penh, Cambodia, he reported it.

In many ways it would seem that 41-year-old Jackis would be just the man that the International Development Agency (AID) would want to help straighten out the foreign aid program.

LOSES JOB

But last week Jackis was out of a job, and was knocking on doors at other Government agencies trying to find another before the \$30-a-week unemployment checks stopped.

In January, Jackis was dropped from his \$8,700-a-year job in the AID Agency on the basis of a file that showed he was given a "one" (low) efficiency rating in 1958, the month after he insisted on reporting the U.S.-financed material was being used on a Soviet showpiece, the Russian-sponsored hospital.

An investigation by a House Government Operations Subcommittee has established no justification for the low efficiency rating in 1958.

But the big AID Agency just can't find a place for him, and obviously isn't trying very hard. Some high employees of AID say that in some respects it is a favor to Jackis to refuse to rehire him, for he probably wouldn't be very happy working with AID employees after taking his troubles to a congressional committee.

WHY HE FIGHTS

Jackis is enough of a realist to know that he would be resented by some officials, for his testimony has indicated weaknesses in the aid program and laxness and incompetency in administration of it. But he wants to be rehired as a foreign aid investigator to vindicate him in his 3-year fight to get a public hearing.

Vindication is more than just a moral victory, for unless he is rehired by the foreign aid agency his discharge will be a permanent hurdle to clear in seeking any other Government post.

Chairman PORTER HARDY, Democrat, of Virginia, and Representative GEORGE MEADER, Republican, of Michigan, key members of the House Investigating Subcommittee, have indicated they feel Jackis has been the victim of a vicious conspiracy within the bureaucracy of the foreign aid program.

WANTS NEW STUDY

Jackis is hopeful that the committee will force Aid Administrator Fowler Hamilton to make another examination of the case and disregard the unflattering opinions and conclusions with which his superiors filled his file in the months after he reported the U.S. aid being used on the Soviet-sponsored hospital.

At this stage no one has attributed any subversive motives to the officials in AID who downgraded Jackis. Chairman HARDY has indicated he believes it is a combination of vindictiveness and bureaucratic bungling.

IN FOREIGN AID JOB SINCE 1954

Jackis, son of a Greek immigrant barber, was born in Savannah, Ga., and was reared in Charleston, S.C. He was a wiry 5 foot 8 and weighed 135 pounds, and played high school football.

In 1942, after 2 years at The Citadel, he volunteered for the Army, and served with Patton's 3d Army in France and Germany.

After his discharge from service in 1946, he went to work as a clerk at the General Accounting Office and started to save money to return to college.

In 1948 he went back to the Citadel and in 1950 was graduated with a bachelor's degree in English. He worked as a civilian employee in Marine Corps Headquarters, transferred to the National Security Agency, before taking 6 months out for travel and study in Greece.

SENT TO KOREA

In 1954 Jackis was hired by the Foreign Operations Administration (FOA), the Agency that handled foreign aid at that time. It later became the International Cooperation Administration, and was changed to AID last year.

Jackis was one of the first end-use investigators sent to Korea. The job was to trace down how foreign aid was used, and determine if the final use was in line with the law, policy and goals of the United States.

The Jackis career was sensational. The multimillion-dollar scandals he uncovered in Korea came to the attention of the highest officials there and in Washington. He was given a two-grade promotion in July 1956, on the basis of his initiative and performance.

His accomplishments were listed as exposure of one \$750,000 fraud, and uncovering of a million-dollar scandal.

NEAR THE TOP

"The result of his initial findings will be the correction of abuses now inherent in the procurement and supply of ICA material," the report stated. His rating was now four which is next to the perfect five rating.

Within a year, Jackis completed his tour of duty in Korea, took his home leave, and in March 1957, was assigned to Cambodia. In his first months in Cambodia, Jackis received ratings of three or four, and in the spring of 1958 he was commended for a comprehensive report on the status of the overall foreign aid program in Cambodia.

U.S. ASPHALT IN SOVIET JOB

On June 10, 1958, Jackis was returning from work when he noted the Russian-sponsored hospital had ICA-purchased cement

in the yard to be used on the still uncompleted structure.

He looked closer, and noted that asphalt drums in the yard appeared to have the ICA symbol painted out, and there were steel reinforcement rods of a type purchased by ICA.

When he filed his report, Jackis says, he hoped to follow up with a more complete investigation. Instead, he said, he was "chewed out" by Marlin Haas, the supervisor. He said Haas told him he had no business investigating the material used in the Russian hospital.

Jackis told the Hardy committee he felt he had an obligation to investigate and report any indications of misuse of foreign aid.

PROBE OF WELLS

Within a few days after this incident, Jackis said, Paul Beroud, his immediate supervisor, and Haas assigned him to an investigation of the wells in the remote parts of Cambodia. These dozens of wells were constructed with ICA funds, and supposedly according to U.S. specification.

Jackis said he went into the jungle on a half dozen expeditions to examine the wells, accompanied by a French mission employee, and by a small group of soldiers in the more remote sections. There were no trains to many of the places, and they rode bicycles, rode an elephant, or walked.

"We finally found all of the wells," Jackis said. His reports on the wells showed that many were not properly constructed, that a large number were dry, and that in almost all cases the pump was broken, or had been pulled up and discarded.

There were no ICA signs on the few wells that were in place. Jackis made a factual report and suggested that something should be done.

DISAGREED

Back at the Cambodian capital, Jackis said, Haas and Beroud questioned his facts.

"They had not been outside of the capital at that time, and yet they argued with the facts in my report which included the precise location of the wells," Jackis said. "They argued that I had not found the right wells, and I insisted that I had and that the reports were correct."

Jackis declared that a later investigation in 1960 by other aid officials confirmed his report.

"But that did me no good at that time," Jackis said. "They continued to fill my file with complaints about my work."

SWEPT FLOORS LIKE A COOLIE

In August 1958, Jackis filed an appeal from the low rating that Beroud and Haas had submitted. In the meantime, Jackis said he was taken off end-use investigations and was assigned to a warehouse where he had to straighten the warehouse and "like a coolie" do such jobs as moving furniture and sweeping floors.

"I did it, because I was sure that it would be all over when my appeal was read in Washington," Jackis said.

However, when Jackis finally got to Washington in the summer of 1959, he found that no action had been taken on his appeal. In fact, those he questioned couldn't find it.

When it was finally found, Jackis was informed that no appeal procedure was set up in what was then the ICA. Everyone seemed at a loss as to what to do about the appeal.

TOLD HE WON

It wasn't until October 10, 1960, that Jackis received any satisfaction from J. T. Walden, acting director of personnel.

Walden notified Jackis that "the derogatory implication of the efficiency rating mention has been overcome by subsequent documentation."

"No further action on the appeal will be taken by the Agency," Walden wrote to

Jackis. "Future assignments, as for all satisfactory employees, will depend on positions available, and the qualifications of persons eligible to be considered therefor."

In his Washington work, Jackis was receiving "three" and "four" ratings, but that somehow didn't get him another assignment.

FIRED ON BASIS OF STRIPPED FILE

Last November, Jackis received notice that he would be terminated in January. It was a polite notice that he was being fired, and the hurrying newly named AID didn't take time to interview Jackis.

Jackis was unsuccessful in seeking to gain access to that file for months. When he finally examined it in the last 3 weeks, he found it was stripped of most of the pertinent documents on his side of the dispute.

However, there was no lack of documentary evidence against Jackis. "The efficiency rating of one that Mr. Hass had given me, which is well documented, is in the file," he said.

CLEARANCE MISSING

Also eliminated from the file were the records showing that the 1960 investigation had actually cleared Jackis of the charges in connection with the reports on the wells, and had found the "one" rating to be unsubstantiated.

"I'm no security risk. I don't have any criminal record. All I did was do my job, and I just didn't think that it was possible for this to happen to anyone unless you did something wrong," Jackis said.

Jackis said he felt fortunate that he is not a married man with the financial responsibility for children.

"I'm a bachelor, and I have saved up a little money so I can get along for a time," Jackis said.

THE DECLINING FARM POPULATION

Mr. MILLER. Mr. President, in the May 29 issue of the Des Moines Register there is an excellent lead editorial on the subject of the declining farm population.

The writer of this editorial makes the point that we spend a great amount of time talking about the urgent need for farm adjustment, whereas the greater need is for adjustment of the rest of society to the adjustment that has already occurred in farming.

How true that point is. The census of agriculture made in 1960 shows that for the year 1959, 22 percent of the farmers produced 72 percent of the farm products sold, and 39 percent produced 87 percent of the farm products sold. This means that 61 percent of the Nation's farmers produced only 13 percent of the farm products sold in 1959. I suggest that there is nothing to indicate that the situation has become any better with respect to those people. While it is recognized that many of these farmers in the 61-percent category are only part-time farmers, it is obvious that many of these people could not expect to make a decent living for themselves and their families. And so we have been witnessing a great exodus of farmers and their families from the rural areas in the last several years.

Within the last year 832,000 people have moved off the farms. The figures from the Department of Agriculture show that in 1960, 15,635,000 people lived on farms. In 1961 the number had declined to 14,803,000. What are those people going to do when they move off the farms? What are they going to do if we have a serious unemployment

situation among those who are already living in the cities and towns? That is the big problem. If we are able to take care of the unemployment problem, there would be room for the farmers and their families to find useful occupations when they move off the farms, but unfortunately the situation is that we have a critical unemployment problem. That is the point of the Des Moines Register article.

Before we complain too much of the situation as far as our farmers are concerned, I think we had better look further at the whole of society and try to work out some solution to the serious unemployment problem to relieve the aggravation that is occurring when farmers do move off the farms, because they cannot make a go of it on their farms.

I ask unanimous consent that the editorial published in the Des Moines Register be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VANISHING FARMERS

The U.S. Department of Agriculture reports that the number of people living on farms in the United States dropped to 14,803,000 in 1961.

That is a somewhat smaller number of people living on farms in the whole United States than live in the metropolitan area of New York City.

It is less than one of every 12 persons in the total population.

It is probably the smallest farm population in the United States since 1880.

The number of people living on farms has been recorded separately by the census only since 1910. (Before that it was included in "rural" with the number in towns below 2,500.) In that year, the total was 32 million, probably about the high point of U.S. farm population. The number declined slightly during the next two decades, then leveled off and even rose a bit during the great depression of the 1930's.

Since World War II, the drop in farm population has speeded up fantastically. The Department of Agriculture estimates that in the one year from 1960 to 1961 the number of farm people shrank by about 830,000.

The figure of 14.8 million people living on farms is based on a very liberal definition of a farm. It includes all places with 10 or more acres of farmland and \$50 or more of farm products sold per year. An even smaller acreage can qualify as a farm if \$250 worth of products are sold.

The farm population has been cut in half in the last 20 years and gives every evidence of continuing to fall for some years ahead. But the absolute decline in numbers certainly will be slower from now on.

Those opponents of Federal farm subsidies who say that the Government has been supporting an intolerably large farm population and providing incentives for people to stay on the farm should look twice at the upheaval which has occurred in two decades. Then they should ask themselves whether a more rapid rate of change would have been possible or digestible.

Since 1940, the total population has grown by more than 50 million, while the farm population has shrunk by 15 million.

The reason, of course, is the amazing technological revolution in agriculture, brought on by publicly sponsored research and education. This has caused labor requirements in farming to go down and down—from 11 million farm workers in 1940 to 7 million

now. Despite farm subsidies, there is no featherbedding in agriculture which seems to have much effect. The process is continuing. Proved labor-saving technology already available is a long way from being fully applied, and new research is scouring out additional improvements for the more distant future.

We spend much time talking about the urgent need for farm adjustment. But the bigger need, obviously, is for adjustment of the rest of society to the adjustment that has already occurred in farming.

State governments, rural towns, businesses related to agriculture, schools, roads—all these are compelled to change because of the violent change in farming.

Iowa, one of the most profoundly affected States, still has far to go to recognize the urbanized (and urbanizing) character of its environment.

Logical arguments can be made for slowing the pace of farm adjustment in the years ahead—but there can be no recovery of the past. Our farm and nonfarm institutions must face up to the change in agriculture which has already taken place if they are to serve the needs of the people in the years ahead.

GROWTH IN POWER OF THE EXECUTIVE BRANCHES OF THE GOVERNMENT

Mr. MILLER. Mr. President, on May 14 the Honorable JAMES E. BROMWELL, of the Second Congressional District of Iowa, delivered an outstanding address at the annual teachers' appreciation dinner of the Johnson School Parent-Teachers Association in Cedar Rapids. The keynote of Congressman BROMWELL's address is his concern—a concern being shared by an increasing number of Members of Congress, political writers, and American citizens—over the growth in power of the executive branch of the Federal Government. As he so well put it, the question has been raised whether the written law, Congress, the courts, and the American people will longer restrain the power of the Presidency; and unless citizens act by public opinion and the franchise we shall continue to surrender rights to the Government, unchecked and unbalanced the powers, and grant power to the Presidency until we shall have reverted to despotism.

Representative BROMWELL made it very clear that he was speaking of the Presidency—the executive branch of the Government—and not of any particular occupant of the office. His point was made with respect to the office, regardless of who the occupant is.

I believe it would be most enlightening for everyone to read this timely address, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE JAMES E. BROMWELL, AT ANNUAL TEACHERS' APPRECIATION DINNER, JOHNSON SCHOOL PARENT-TEACHER ASSOCIATION, CEDAR RAPIDS, MAY 14, 1962

I must tell you at the outset that I intend to speak very seriously tonight, more seriously, maybe, than a gathering of neighbors might seem to require. We are here, however, because of a common interest in our children and when they are involved, middle ground fades from the range of subject matter. We either visit in warm detail, or we

talk very soberly indeed. Their future is so important, and so long, perhaps light-years long.

I have been reading "The Coming Fury," the splendid first volume of the centennial history of the Civil War which Bruce Catton has written. It opens on the Democratic Convention of 1860 at Charleston—some days, weeks, or years too late. The most persistent impression one carries from the book is this: long before Sumter was fired upon events had passed beyond the control of the ablest persons then living. Chattel slavery, sometime before, had ceased to be an issue between men, between North and South, between owners and nonowners, and had become a matter between God and all the American people. Some would merely survive it—some like Mr. Lincoln writing to Mrs. Bixby would see it clearly as a violent atonement for monstrous evil. None, not even Lincoln, could control it, and he tried.

Some historian may someday name the month of the year in which things got out of hand; someone bolder may do better and tell us the early symptoms of a breakdown in popular control of our national affairs. So far he or she has not been generally recognized and proven sound, and until these things happen we shall feed on fear.

It has happened more than once since Sumter, and it can happen again. A chain of events begins, effect follows cause with acceleration, the point of no return is passed, the tide becomes irreversible, then unchangeable and we come to a time of troubles in which even the best of us can only make the best of it.

We shall feed on fears and we are feeding on them this May. The progressive development of weaponry and technology applied to outer space make them particularly acute in international relations. But the very acuteness of our fears, like pain in a tooth, is hopeful because it has demanded action. No matter how we despair at the headlines, America is making its best effort in this area. Enormously over half the treasure spent on National Government goes into it. In our weapons we have raw force. In our system of foreign trade we have economic strength. In the principles of the Constitution we have moral force. In our programs of foreign aid we have a blend of the latter two with the added recommendations of altruism. In the Disarmament Agency, the Peace Corps, the Alliance for Progress, we have new ideas. In space research we have a vigorous search for incredible new developments which will certainly bear on future events. Most importantly, with its very soul, the American people have willed peace with justice. Expression is lively. I for one am convinced that every action which would be supported by a consensus of reasonable Americans is being taken or formulated. Criticize any portion of this effort as harshly as you wish (and I personally believe that such criticism is owing for the good of us all), America's presently asserted world leadership belies the real fear that the forces of international anarchy are beyond control.

At least in tonight's frame of reference I am willing to set it aside because of another matter currently most serious in which instruments of control are at hand. We have hurled our strength against the winds of chaos and war; in this other matter we have done nothing and said pitifully little. And herein, of course, lies the danger of losing control and being swept away by events.

I am speaking of the deadly growth of power in the executive arm of the Federal Government and in particular of power in the Presidency.

Note that I refer to the Presidency, not the President. One is an office; the other is a man. This is of the absolute essence of what I have to say. The Presidency is a center of power over us created by laws of our own making or acceptance, a complex

of constitutional and statutory functions; a President is a creature like you and me who is born, suffers, procreates and dies, and when he itches, scratches. The President here is to the Presidency as the Queen in England is to the Crown.

I am not of the President's party nor of the executive branch. I was of the party of the former President but not of the Government at all. This has precious little to do with anything of real importance because long after our generation, you and the President and I, are gone, and the children who have brought us here tonight are facing the problems of their times, the Presidency and the Congress and the freedoms of all the people will remain if—and it is a poignant if—we have been good stewards now.

No violence should be done to this distinction between the President and the Presidency and I believe that the failure to recognize the distinction has caused trouble lately, and the kind and amount of trouble raises anxiety and wonder about where we are, and where we have been, and where we are going, and whether we still have our control.

Here is the trouble: beyond any doubt the most important domestic actions of the present President since he assumed the Presidency were those he took with respect to the declared increase in steel prices. He acted swiftly and effectively. By some he was praised for the result with good reason; by others he was blamed, but here lies the failure to make the distinction, the failure not yet generally recognized, our real weakness and real worry. Remove the personality of John Fitzgerald Kennedy from these actions so that your attachment or antipathy to the man is idled, conceptually place a faceless anonymity in the office—in the Presidency if you will—analyze the body of action down to the skeleton of power exercised and you will, I suggest, be properly disturbed.

In the early morning hours of April 13 in Philadelphia the rest of an American citizen was disturbed by a knock on the door. The knockers were Federal police, acting without the knowledge of their immediate superior, without writs or warrants, with no claim of wrongdoing against the citizen, investigators with no questions to ask that could not have been as well or better asked in the morning and with no right, constitutional or otherwise. They had a personal mandate from the Nation's highest enforcement officer, the Attorney General of the United States, a servant and not the master of the sleepy and perhaps frightened citizen, and one who took an oath to support not to violate the laws of the United States. In New York a similar event took place.

In the following hours a grand jury was impaneled in New York to investigate the possibility of criminal collusion in connection with the increased price of steel. This was a second grand jury. Another had been busy for a year with the same prospective defendants.

In the following hours, committees of the Congress undertook investigations, one of the stated ends being punishment.

In the Department of Defense companies which had raised their prices were denied Government business regardless of price, regardless of the public interest otherwise considered.

All this and much more. And why? Because the President did not wish steel prices increased. And what has this to do with the Presidency? Simply this: So great is the present power of the Office that the question has been raised as to whether the written law, Congress, the courts, and the American people will longer restrain it. We recall Andrew Jackson's crack about letting the Supreme Court enforce its own decision. This, I can assure you, is a vastly more advanced case.

"We have," a citizen wrote shortly ago, "lost our capacity for moral indignation." I am not sure he is right. I do believe, however, that in our swift drive toward desirable ends we are losing our respect for means. The genius of this Republic is still human liberty, the genius of liberty is law, and good law is a system of means by which all of us can freely and equally seek our individual or our common ends.

Press this steel situation a little further. What in fact did the companies do? They raised prices. In all freedom some of them raised their prices. I was personally astonished. I felt it to be unwise at that time. Yet it was, questions of collusion aside, a lawful act. There is no law, State or Federal, against raising the price of steel or toothbrushes or grass seed. We have a free domestic market. Admit the possibility, which we must, that the action was taken in good faith.

Now, if a citizen acting in good faith commits a lawful act and in return has applied to him unlawfully the utmost coercive power of the strongest Government on earth, where are we?

We are in a quandary, that's where. We are in a quandary because we thought we were safer than we are. For over 300 years we understood that the range of lawful acts was infinite and that so long as we honored them we would not be hurt. We knew where the fences were, because we had knowingly built them. We were born with an intuitive understanding of Lord Coke's cry to King James—"not under men but under God and law." We understand Mr. Justice Holmes when he said, in effect, "If a fellow wants to build a slaughterhouse and I look in the book and find nothing that says he can't—let him build the slaughterhouse."

We are in a quandary. The price of securities has fallen and fallen. Over \$70 billion in value has been sacrificed. Organized labor is querulous or mute. The Congress is more closely than ever scrutinizing those bills which would increase the Executive power and a number have been quietly shelved. And all this is disquieting because as a Nation we are feeding on fears we haven't had since our founding. In our quandary we wonder whether we are indeed relying on the certainty of laws or the uncertainty of men.

Where have we been? Over a long road this President did not take us. In this I defend him. The President is presently being criticized, seemingly for his acts when fairly we should bear the criticism for what we have permitted to be done to the Presidency over the years. We have asked the Presidency to do many things we should have done for ourselves. We have not kept the available instruments of civic achievement, municipal government, State government, congressional responsibility sharp and clean and bright. We have tolerated the multiplication of laws, by loose construction of our Constitution we did not understand or inquire into, by regulations we never knew of and still do not, by liberal grants of general powers, by acquiescence in the exercise of implied powers, by forgetting that power corrupts and absolute power corrupts absolutely, by forgetting that a system of checks and balances means internal checks upon and balances between the three great branches of government, and between the Federal Government and the States, by forgetting that unchecked and unbalanced power directed against our enemies today may be directed against us tomorrow.

Where are we going? The answer lies in the future and is speculative. As your Congressman I shall give you my opinion. Unless citizens act by public opinion and the franchise we shall continue to surrender rights to the Government, unchecked and unbalance its powers, and grant power to the Presidency until we shall have reverted to despotism.

Mr. Lincoln's word is good enough for me. The tyrant will not come to America from across the seas. If he comes he will ride down Pennsylvania Avenue from his inauguration and take his residence in the White House. We have, in the last 15 months in the Congress, inadvertently and carelessly we must assume, moved at a hellish rate to establish preconditions of dictatorship. There will be no coup d'etat. Rather, at the worst, there will be an extension and vigorous exercise of the powers we have granted.

Is the matter beyond control? I do not know and you're not sure. In all sadness I say I do not know. The ancients tell us that democracy degenerates into tyranny. We are the longest lived experiment in freedom and its ultimate success is not guaranteed. In my heart—with my faith—I do not believe we have passed the point of no return. I know that I would not have traveled a thousand miles to say these things if I thought it were. But I know it could happen here and I am dedicated to seeing it does not.

ADJOURNMENT UNTIL TUESDAY

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate at this time, I move, pursuant to the order previously entered, that the Senate adjourn until 12 o'clock noon on Tuesday, June 5.

The motion was agreed to; and (at 12 o'clock and 40 minutes p.m.) the Senate adjourned, under the order entered on Tuesday, May 29, 1962, until Tuesday, June 5, 1962, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 4, 1962

The House met at 12 o'clock noon.

Rev. Harold J. Preston, Jr., pastor, United Presbyterian Church, Alton, Iowa, offered the following prayer:

Almighty and everlasting God, Thou who art the way, the truth, and the life.

This day we approach Thy throne of grace with the praise of our lips and the worship of our lives. Thou art our God, who knows all human desires before they are voiced. Yet these desires cry for a hearing.

As the tasks of this day stretch before us, grant we pray, a special portion of Thy blessings and a clear vision of Thy purposes to all who are assembled here. Strengthen our faith and dedication to Thy causes which are our causes, allowing us to honor and glorify Thy name in all that we do or say.

May the deliberations and decisions of this day be based on a prayerful seeking of Thy wisdom and the correct exercise of our religious and political freedoms and responsibilities. Overpower our inadequacy with Thy sufficiency, our pride with Thy humility. Refashion us so we may become obedient sons and servants of the living God who offers new life to all who submit themselves to His direction and discipline. In Christ's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, May 31, 1962, was read and approved.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that H.R. 10038, to provide civil remedies to persons damaged by unfair commercial activities in or affecting commerce, and H.R. 10124, be referred to the Committee on Interstate and Foreign Commerce. They were improperly referred to the Committee on the Judiciary. The subject matter of these bills should be properly before the Committee on Interstate and Foreign Commerce.

A previous bill, H.R. 4590, which is superseded by H.R. 10038, had been referred to the Committee on Interstate and Foreign Commerce, and the present bill should likewise fall within that category.

Mr. GROSS. Reserving the right to object, Mr. Speaker, is this bill on the present Consent Calendar?

Mr. CELLER. No, it is not.

The SPEAKER. Without objection, the request is granted.

There was no objection.

PERSONAL ANNOUNCEMENT

Mrs. RILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from South Carolina?

There was no objection.

Mrs. RILEY. Mr. Speaker, on roll-call No. 95, on May 23, 1962, I am recorded as not voting. I was unable to be present due to illness. Had I been present I would have voted for H.R. 11737, to authorize appropriations to the National Aeronautics and Space Administration for fiscal 1963.

THE CONSENT CALENDAR

The SPEAKER. This is the day for the calling of the Consent Calendar. The Clerk will call the first bill on the calendar.

PRINCE GEORGES COUNTY SCHOOL BOARD, MARYLAND

The Clerk called the bill (H.R. 6759) for the relief of the Prince Georges County School Board, Maryland.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PARAPLEGIC HOUSING PROGRAM

The Clerk called the bill (H.R. 4012) to amend section 801 of title 38, United States Code, to provide assistance in acquiring specially adapted housing for certain blind veterans who have suffered the loss or loss of use of a lower extremity.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

STATUTORY AWARD FOR APHONIA

The Clerk called the bill (H.R. 10066) to amend title 38 of the United States Code to provide additional compensation for veterans suffering the loss or loss of use of both vocal chords, with resulting complete aphonia.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISPOSAL OF CERTAIN MATERIALS FROM THE NATIONAL STOCKPILE

The Clerk called the resolution (H. Con. Res. 473) providing the express approval of the Congress, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), for the disposition of certain materials from the national stockpile.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress expressly approve, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), the disposal of the following materials from the national stockpile in accordance with the plans of disposition published by General Services Administration in the Federal Register:

(a) Approximately four hundred and forty thousand two hundred and forty-six pounds of silk noils (25 F.R. 8114, August 24, 1960; 27 F.R. 3643, April 17, 1962);

(b) Approximately ninety-six short tons of 91 per centum nickel in ingot form, approximately four short tons of sintered nickel powder in the form of "cups", and approximately nine short tons of cobalt in rondelle form averaging 97.9 per centum cobalt (26 F.R. 764, January 25, 1961);

(c) Cordage fiber consisting of approximately seven million five hundred thousand pounds of abaca fiber and approximately ten million pounds of sisal fiber (26 F.R. 803, January 26, 1961);

(d) Approximately three thousand five hundred long tons of vegetable tannins (quebracho, chestnut, and wattle extracts) (26 F.R. 2211, March 15, 1961);

(e) Approximately twenty-eight thousand eight hundred and sixteen short tons of celestite (26 F.R. 2239, March 16, 1961);

(f) Approximately four thousand four hundred and seventy-one troy ounces of platinum scrap and a quantity of nonferrous scrap consisting of approximately five hundred and twenty short tons of brass, seventy-four short tons of silicon bronze and copper, eleven short tons of beryllium copper, and one hundred and six short tons of zinc foil (26 F.R. 6490, July 19, 1961);

(g) Approximately fifty thousand long tons of pig tin (26 F.R. 8425, September 7, 1961);

(h) Approximately one hundred and fifty-five million six hundred and seventy-six thousand pounds of castor oil (26 F.R. 8577, September 13, 1961);

(i) Approximately two hundred sixty-five thousand pounds of cobalt oxides, and approximately five thousand five hundred pounds of cobalt carbonates (26 F.R. 9059, September 26, 1961);